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Bank-Loan Plan Faces Fight For Life As Ways-Means Committee Hearings Open

By ROBERT B. MITCHELL

With the intensified need for revenue to pay for national defense measures, the tax advantage enjoyed by the bank-loan plan of owning life insurance faces a renewed and more determined onslaught from the Treasury and some congressional leaders. Ways and means committee hearings were scheduled to start this week on unintended benefits and hardships in the present code. This is the category in which the Treasury sought unsuccessfully last year to deny tax-deductibility to bank-loan plans.

Statements from Treasury experts indicate that they have by no means given up their idea that the bank-loan plan can be shorn of its income-tax deductibility without interfering with the use of policy loans for other purposes. It was the apparent impossibility of hitting bank-loan plans without hurting other uses that prevented ac-

tion on bank-loan interest deductibility last year.

That the Treasury is not discouraged about finding a way to cure the disease without killing the patient may be inferred from what Dan Throop Smith, deputy to the Secretary of the Treasury, recently told the annual convention of American Institute of Certified Public Accountants. Here is what Mr. Smith said:

"The interest deduction recognizing a necessary expense when indebtedness is incurred for business purposes raises problems where it is also allowed as a general deduction. The attempt to limit interest deductions where funds are borrowed to carry tax-exempt securities is fully accepted, I believe, as necessary to prevent abuse.

"But the more effective the limitation is, the more complex it becomes. The increasing use of borrowed funds to carry life insurance, with insurance

policies and programs developed to make them virtually self-sustaining after the first one or two premiums, and advertised as being of negligible cost to high-bracket purchasers, seems to constitute a substantially equivalent abuse. I hope it will be corrected by statutory changes, though they will inevitably complicate the law."

Mr. Smith's language is obviously broad enough, like last year's Treasury proposal, to take in not only bank-loan plans as such but the type of plan in which the policyholder borrows on the cash value from life company rather than from a bank. The non-bank type of plan has been popularized through the issuance of policies having high first-year cash values that are available for borrowing at the time the policy is applied for.

The Treasury has not indicated what it may have up its sleeve as a method of controlling what it con-

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No Group, A&S Or Brokerage Business For N. W. Mutual

President Fitzgerald Tells Big N. Y. Regional Meeting Reasons Behind Decision

NEW YORK—Why Northwestern Mutual plans to stick to its present



Edmund Fitzgerald

course and not go in for group, A&S or brokerage business was explained at the company's big eastern regional convention here this week by President Edmund Fitzgerald.

Mr. Fitzgerald made it entirely clear that he was not looking down his nose at companies that have been branching out in the types of coverage they offer the public or are more intensively developing brokerage business. He emphasized his belief that Northwestern's course is best for Northwestern but not necessarily for some other companies.

"It is no secret," he said, "that other companies generally, among the larger ones with which we compare ourselves, have been moving to embrace larger fields of activity than we do. Few indeed of the companies in this category have not now brought into their repertoires both group insurance and some kind of accident and health. Recently too, we have seen the beginnings of a further trend for casualty companies to include life insurance in their range of activity with evidence that this move may gain impetus in the opposite direction.

"In noting these trends and considering our relationship to them, there is, of course, no question whatever of the merit of their doing what they do. Ours is a great country with a great people and many are the ways

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Five Texas Life Companies Are Merged, Sold

Mergers and sales involving five Texas life companies have been announced in the past 10 days.

Continental Fidelity Life of San Angelo is the surviving company resulting from the merger of Continental Fidelity Life of Dallas and North American Union Life of San Angelo. The new company will have its home office in San Angelo and executive offices at Dallas. Herbert L. Wiggs of Dallas is chairman and president and Thomas G. Brown is executive vice-president. The original Continental Fidelity was organized in 1955 and North American Union was begun in 1953 as North Texas State Life with initial resources of \$37,500. At the end of 1956 it had capital and surplus of \$406,282 and insurance in force of \$1,195,791.

Plymouth Life and Western Republic Life of Austin have merged and will be known henceforth as Western Republic & Plymouth Life Ins. Co. Both are stock companies writing life and A&H. The combined capital and surplus of Western Republic & Plymouth Life exceeds \$1 million. Thomas M. Branch Sr. is chairman and Banks J. Miller Sr. is president. There are 46 members of the board of directors.

Plymouth Life was organized in 1952 with \$100,000 capital and \$59,318 surplus. At the end of 1956 capital was \$393,500, and surplus \$510,823, with insurance in force \$4,869,677.

Western Republic, organized in 1953, at the end of 1955 had capital and surplus of \$317,068 and assets of \$750,454.

International Life of Austin has been sold to Cumberland Associates of Louisville, Ky., and Robert E. Hatton, chairman of Cumberland Associates,



The newspaper headlines above are but a small sampling of the growing number of common disasters involving family members. Institute of Life Insurance attributes the rise to longer driving distances, greater automobile speeds and increased use of cars. Life companies now offer a common disaster clause in policies or by rider. A problem can arise when determining whether the estate of the policyholder or insured is to be taxed. National Assn. of Insurance Commissioners in 1951 endorsed a model law, now adopted by 46 states, which provides that insured is considered the beneficiary in a common disaster unless specifically provided otherwise in the policy.

is the new president of International Life. At the end of 1956, International Life had capital of \$261,666 and surplus of \$302,834. It showed a loss from operations in 1956 of \$248,807. Insurance in force was \$22,183,630. The company began business in 1942 as Union Reserve Life with capital of \$25,000 and surplus of \$12,500. Capital was raised to \$100,000 in 1946 and that year it absorbed International Life of Phoenix and adopted the new title.

Cumberland Associates was organized about a year ago by Louisville interests to acquire life companies. This is its first purchase. Retiring President K. A. McCormick said the sale of International Life was prompted by his health.

Late News Bulletins . . .

ALC-LIA Gives Views On Revenue Code Changes

WASHINGTON—American Life Convention and Life Insurance Assn. of America filed with the House ways and means committee this week a statement outlining the position of the life industry with respect to a number of technical amendments proposed to the internal revenue code.

Some of the subjects concerned are transfer of life policies, attribution of ownership, discriminatory taxation under insured pension plans, profit sharing plans, various provisions relating to annuities, and estate and gift taxation.

Meanwhile, first bill to extend the present life insurance company taxation law was introduced by Rep. Talle of Texas. However, Rep. Mills, Arkansas, new ways and means chairman and author of the act bearing his name for taxation of life company investment income, is the key man in this picture. Life insurance representatives expect him to bring the matter up later on.

Bills Requiring A&S Policies To Be On Lifetime Basis Pushed Again In N. Y.

Right To Convert Group To Individual Policy Is Also Provided In Measures To Be Introduced By Sen. Metcalf; Company Associations Will Offer Vigorous Objections

NEW YORK—Bills requiring individual A&S coverage to be on a lifetime basis after two years duration and giving group A&S certificate holders the right to convert without medical examination to an individual policy have been drawn up by New York's joint legislative committee on health insurance plans.

The series of four measures, according to early indications, can be expected to run into considerable opposition from the insurance business as did five similar bills which died in the legislature last year. Sen. Metcalf of Auburn, chairman of the joint committee, and some of his fellow committee members are slated to introduce the bills in both houses of the legislature on Jan. 13.

The committee will hold a public hearing Jan. 30 in the senate chamber at Albany.

The five original bills ran into a storm of protest at a prolonged hearing last year. Since then, the Metcalf committee and its staff have examined and revised them to meet some of the criticisms. Some changes were minor, however, the basic purpose of the proposed legislation is unchanged. Company associations regard them as objectionable as ever.

It is too early to determine how much support the bills will receive from legislators, but it is known that they failed to get the unanimous support of the Metcalf committee members.

The first of the new bills provides that no individual hospital, surgical or medical expense policy issued by an insurance company may be changed, restricted, cancelled or otherwise terminated after two years from its date of issue and during the lifetime of insured. However, it does not change the present statutory definition of a "family member," so that a person no longer covered by that definition would not be eligible for coverage under the family policy.

The second bill says that group hospital, surgical and medical policies would provide a conversion privilege for persons whose insurance is terminated after they have been covered for at least three months or if the group policy itself is terminated and has been in force for more than one year. The terminated person would be eligible to obtain an individual policy without evidence of insurability.

The measure would prohibit denial of benefits for pre-existing conditions and contains provisions regarding expenses incurred between the termination of insurance under the group policy and the effective date of the conversion policy, and a provision regarding questions that may be asked in the conversion application to protect against duplicate coverage and over insurance.

The third bill would prohibit group

or blanket A&S policies from denying benefits for pre-existing conditions. It would prohibit the requiring of evidence of insurability for any person when a policy is newly issued to a group. It would bar termination or reduction of insurance in group policies due to age or physical condition and would not allow a benefit schedule to recognize differences predicated on age or physical condition.

The final bill, a short one relating to direct payment family contracts issued by "non-profit" plans, would amend the law to provide a definition of "family member" consistent with the definition in the law regarding A&S contracts issued by insurance companies. Children, whether dependent or not, are covered only until the 19th birthday. Under this amendment, children could be covered until any age and any children, whether or not dependent on insured, until the 19th birthday. This provision would be permissive and would not require a plan to extend its current definition.

Continental Assurance Introduces Pooled Trust To Offset Unstable Pension Dollar

A pooled trust permitting investment in diversified common stocks in order to offset fluctuations in dollar value as applied to pension and profit sharing plans has been introduced by Continental Assurance. Known as "trust C," the plan has been developed in joint action with American National Bank & Trust of Chicago as trustee and is the first equity fund to be developed by a life insurer, the company believes.

Purpose of the pooled trust is to buy common stocks in amounts above and beyond the 5% of total assets which life companies are generally restricted to, while maintaining the stability of guaranteed annuities. A portion of trustee funds may be invested through trust C with American National, with at least an equal portion invested with Continental for ultimate purchase of guaranteed annuities. When an employee is retired, equity funds also may be withdrawn to buy guaranteed annuities.

At a press conference in the home office Monday, Peter Hondorp, associate actuary of the retirement and special plans department, emphasized that the pooled trust plan is not a Continental version of the variable annuity, commenting that the variable annuity is only a "specific answer to the equity problem. We at Continental have to answer all our brokers' problems."

The basic problem, he said, is to protect the employer against the decreasing value of the dollar which forces him to increase pensions. Mr. Hondorp noted that other companies are approaching this problem with various funding plans which may develop into variable annuities or cost of

National Life Of Iowa, Natl. Travelers Merge

National Life of Iowa and National Travelers, both of Des Moines, have merged, and the consolidated company will be known as National Travelers Life.

National Travelers wrote primarily A&S and National Life's business was exclusively life, and the merger will result in an expanded portfolio. Consolidated assets amount to more than \$27 million and combined surplus is approximately \$3 million. Life insurance in force is over \$20 million and A&S premium income is \$3.5 million. The company operates in 25 states.

Heading the new insurer will be Arley F. Hanson, president; Waid J. Davidson, executive vice-president; V. J. Nutt, 1st vice-president; Carl F. Woodmansee, vice-president and agency director; Fred E. Bonk, vice-president and comptroller; Claude V. Loftus, resident vice-president; Jay E. Brown, secretary; Harold L. McCollum, actuary; and H. H. Cox, secretary.

Directors are: William Koch, Lester T. Jones, Frank R. Warden and Messrs. Hanson, Davidson, Nutt, Loftus and Cox.



Arley F. Hanson

NW Mutual Agents Set 2 Annuals For Jan. 12-14

More than 200 life agents will attend the annual meeting of Illinois Assn. of Agents of Northwestern Mutual Life Jan. 12-14 at the Pere Marquette hotel, Peoria. Clifford R. Garrett, Peoria general agent, and associates of the Garrett general agency will be hosts for the meeting.

The welcoming address will be given by William G. Spicer, Ottawa agent, president of the Illinois association. Other featured speakers will include: William C. Roeder, Aurora, and J. Harry Veatch, St. Louis, both general agents; Special Agent Robert Mirus of Decatur; agents Tom Maule and Ronald Schumacher of Elgin, and Duncan Funk of Shirley; and Chicago metropolitan area's general agent, Dan A. Kaufman and three associates—Special Agents Thomas O'Connell, Robert Reihsen and Ira E. Graham, all of Evanston. (All towns are Illinois, with the exception of St. Louis.)

Chairmen for various sessions are: Donald Park, field director Springfield; Joseph J. Mondino, district agent Belleville, and Eldon L. Steffen, Aurora agent.

Robert E. Dineen, vice-president of Northwestern Mutual, will speak at the banquet Monday night. Willard H. Griffin, superintendent of agencies, will present honor awards to the "Illini 10-High," the 1957 10 top sales producers in the state. Other company officers coming from the home office to participate in the program are: O. Alfred Granum, assistant director of agencies; Richard S. Haggman, director of advertising; and Marvin McCarthy, assistant director of advanced underwriter training division.

On the same dates more than 100 Minnesota, North Dakota, South Dakota and Wisconsin life agents will gather in Minneapolis for the company's annual Upper Midwest Conference of agents.

Featured speakers will include: David Fairfield, special agent at Chicago; Philip Embury, district agent, Rochester, Minn.; Meredith Hansen, district agent, Minot, N. D.; Vi Stolia, agent, Aberdeen, S. D.; Don T. Patrick Steele, district agent, Dubuque, Ia.; Eugene Krhin, special agent, Eau Claire, Wis., and Gerald Kelly, special agent, Minneapolis.

Home office officials who will speak are: Grant L. Hill, vice-president and director of agencies; Benjamin B. Snow, superintendent of agencies; Walter H. Meier, assistant director of advanced underwriter training; Joseph C. Noback, assistant actuary; and Dr. Jack A. End, assistant medical director.

date by determining the market value of the entire capital and income of the fund and by dividing that value by the total units outstanding.

A qualified trust may place contributions in the fund on any valuation date and a current value will determine the number of units allocated.

Any equity units may be liquidated by a qualified trust on any valuation date provided it gives 15 days notice in advance of the valuation date. American National will administer the assets and invest them, and will also audit the trust annually and furnish copies to each participating trust.

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HERS IS A VOICE OF ACHIEVEMENT

Elsie Doyle is representative of the increasing number of career-minded women who are distinguishing themselves in a male-dominated business world. In today's highly competitive race for recognition, most men would be content with only a share of the success she has achieved as America's top woman life underwriter.

Once secretary to the governor of her native Kentucky, and later a popular radio vocalist, Elsie Doyle initiated her brilliant career in life insurance in 1940. Almost immediately upon her association with The Union Central in Cincinnati, she earned her place among the Company's leading underwriters. In recent years, she has qualified for membership in the exclusive Million Dollar Round Table twice. She served for four years as the only woman Trustee of

the National Association of Life Underwriters, and is one of the most sought after insurance instructors and public speakers in her profession. Moreover, she leads a full social life, rarely misses a Kentucky Derby, and is a featured soloist in her church choir, at special functions and in concert.

Last year, Elsie Doyle attained another goal. She moved to Fort Lauderdale, Florida — not to retire but to continue the career which she says "has been kind to me, because it has enabled me to raise and educate three sons, one of whom is a West Point graduate, one an editor and publisher, and one a successful salesman." Already the subject of many magazine and newspaper articles, you can be sure that future journals will have more to say about this remarkable woman.



Although assigned to The Union Central's Florida Agency, Elsie Doyle maintains service to clients of her former agency in Cincinnati. One of those clients is Mr. Walter A. Hoffman, Sr., president of his own realty company and another Cincinnati who has moved his residence to Fort Lauderdale.



The happiest moments for Elsie Doyle are those with her family. Seen with her are Patty, one of three daughters-in-law; Jeffrey and Karen, two of eight grandchildren.



Elsie Doyle has two major hobbies, photography and cooking. Of the more than 100 cookbooks she collected, her prize is this one — packed with her favorite Kentucky recipes.

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Welfare-Fund Code Of Ethical Practice Promulgated By N. Y. As Moral Suasion

NEW YORK—The welfare-fund code of ethical practices adopted by National Assn. of Insurance Commissioners at its recent meeting has been promulgated by the New York department as "a declaration of applicable principles in the proper conduct of insuring benefits of welfare and pension funds," according to the department's announcement.

The code is intended to serve as a complement to the state insurance law. However, there are no penalties for its violation. The code does not have the status of a departmental regulation. The hope is that the existence of a set of standards will have a deterring influence on those who might want to go beyond the limits spelled out in the code. Anyone vio-

lating it could be called on the department carpet to be asked the reasons for the violation.

As much as anything, the code is supposed to work by keeping insurers from being subjected to demands from racketeering elements interested only in getting top commissions so as to split them with their underworld associates. This sort of shopping around for the highest commissions made it necessary for insurers in many instances to accede to demands or lose the business.

The preamble to the code makes it clear that only a small part of the insured welfare and pension plans have been tainted with racketeering. Moreover, it states that only a part of the abuses that have occurred in the field of union-management welfare and pension funds has related to insurance associated with those funds, and that NAIC "stresses its belief that parallel action should be taken to correct abuses other than those relating to insurance" but that because the NAIC responsibility in general relates only to insurance the code is confined to that area.

"Furthermore, (the preamble states,) it must be realized that the cases of abuse which have occurred in the insurance area have, with very few exceptions, come about through the activities of persons whose primary interests are outside the insurance business, and who have wrongfully twisted the traditional insurance mechanisms to their own purposes. The basic purpose of this code is to prevent a recurrence of these insurance abuses, fortunately infrequent, through means which do not impair the normal operations of the insurance business as developed over many years."

Section 1 calls for prompt, non-discriminatory payment of benefits, periodic audits of benefit payments, the audits being available to trustees of the fund.

Section 2 recognizes the propriety of fees and commissions to producers but warns that these should be "reasonable and not excessive." This section also defines commissions, fees and allowances, insurer, welfare fund, and pension fund. It sets forth a decremental commission scale as being "generally accepted" for the indicated volume, first-year and renewal being averaged over a 10-year commission-paying period: Up to \$20,000 a year annual premium volume from 3.2% to 4.1%; \$30,000 volume 3.0% to 3.7%; \$50,000, 2.6% to 3.2%; \$100,000, 1.7% to 2.3%; \$150,000, 1.3% to 2.0%; \$250,000, .8% to 1.8%; \$500,000, .5% to 1.2%; \$1 million, .3% to .8%; \$2.5 million, .2 to .5%; \$5 million, .1% to .4%.

The code states that on an annual premium volume of less than \$20,000 the range of effective commission rates would be somewhat higher than the largest indicated above and on an annual premium volume of more than \$5 million the effective commission rates should be somewhat less than the lowest indicated above.

"The particular commission scale paid should not be taken as the sole indication of the ultimate net cost of insurance to the buyer, since such cost is affected by many factors, only one of which is the insurer's acquisition expense," the code notes. "Acquisition expense itself includes factors in addition to the commission scales set forth above."

"Any commission rate schedule used by an insurer for welfare fund is considered unreasonable and excessive if (a) it provides for the payment of commission in excess of the range shown in the preceding table or more than would have been paid under the insurer's commission schedule applicable to a similar group policy of like premium volume issued to an employer, whichever is less; or (b) the schedule is not uniformly used as the maximum for all welfare funds."

"An insurer may provide in such (CONTINUED ON PAGE 17)

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Asserts Agent Turnover Problem Can Be Solved By Shift In Emphasis

PHILADELPHIA—If the turnover problem is to be solved, the emphasis now placed on recruiting new agents should be shifted to halting the flow of the more experienced men leaving the business, Prof. Frank J. Schwentker of University of North Carolina, told the annual meeting of American Assn. of University Teachers of Insurance.

Most agents leave voluntarily because they do not receive the necessary advanced training and supervision, Mr. Schwentker said in a paper tracing the history of the life insurance agency system. Agents who are growing and progressing do not leave, he added.

The increased emphasis on selection, training and supervision of agents has brought about little change in the turnover situation in the last 30 years, he said. A study 30 years ago revealed that, at any one time, 30% of the active agents were entering the business, 40% were established and the remaining 30% were leaving. These percentages have not changed. If the flow of departing agents could be cut to 8 or 10%, the recruiting and resignation problems would be solved.

The few general agents who actively recognize the importance of keeping their experienced agents have no recruiting and turnover problems, Mr. Schwentker declared. However, most general agents do not stress this because the companies traditionally have operated on the "recruit or die" principle.

Although the agency system has many advantages, there are several other shortcomings besides the turnover situation, he stated. Too many companies and agents are operating on the theory that any kind of insurance, no matter how inadequate, is better than none at all. Every agent should learn simple programming before entering the field, he said.

Life insurance is the only business in the U.S. which has failed to reduce its distribution costs as volume has risen. Part of the failure to cut these costs is due to the commission method of compensation. The industry must lower the costs through more efficient methods of distribution, he asserted.

Too many policies are being terminated because of incompetent agents, high pressure selling and poor package sales. Agents must receive adequate and continuing training. Also, companies too frequently select general agents only on the basis of sales ability without considering the numerous other important abilities needed for the job.

Some people, Mr. Schwentker said, feel the companies should take full responsibility for their agents' success by putting them on regular employee status for several years until they are prepared to become independent contractors. It would seem, he added, that general agents should be limited to hiring only a few agents in order to provide the help and supervision needed to keep them in the business.

Delta Official Gives Group Boost

Speaking before a recent meeting of Atlanta Group Representatives Club of State Mutual Life, William E. Stephens, payroll supervisor of Delta Air Lines, said "Delta attributes its harmonious employee relations—unsurpassed in the industry—to the fact

that the company has voluntarily provided over the years a group insurance program of progressively broadened coverage." He pointed out that the airline contributes approximately 40% of the \$1 million annual cost of the plan. More than 6,000 employees in 60 cities are covered under the program.

Cartwright, Valleau & Co. Is Organized At Chicago To Deal In Insurance Stocks

Levering Cartwright has formed with three associates a new investment firm, Cartwright, Valleau & Co., to specialize in insurance stocks. The firm is a member of the Midwest Stock Exchange and has offices in the Board of Trade building, Chicago. Besides Mr. Cartwright, who will serve as president, the founders are Harry O. Valleau, vice-president and treasurer; Roger Q. White, secretary, and Wayne W. Olson, assistant secretary.



Levering Cartwright

Mr. Cartwright is a director and former vice-president of the National Underwriter Co. For 24 years, he was managing editor and executive editor of THE NATIONAL UNDERWRITER. He has been engaged in insurance public relations and consulting work and serves as intermediary in insurance company amalgamations. He is vice-chairman of the Union League Club's Insurance Group.

Since 1930 Mr. Valleau has headed Harry O. Valleau & Co., dealer in industrial and public utility issues, bank and insurance shares and municipal bonds.

Mr. White is a director of the National Underwriter Co., Marine Acceptance Corp., president of Twin Cities Servisoft Corp., director of Automatic Appliance Service, and president of Service Enterprises.

Mr. Olson is secretary of Marine Acceptance Corp. and Twin Cities Servisoft Corp.

Set Public Hearing On Ind. A&S Investigation

Public hearings on complaints against hospitalization insurance and the relationship of hospitals with insurers will be held by the special legislative committee investigating A&S in Indiana in two sessions on Feb. 19 in Indianapolis.

A general invitation has been issued to the public in newspapers throughout Indiana. Invitations direct from the committees will go to each person who has registered a written complaint; companies against whom complaints have been made; representatives of hospitals; and insurance agents associations.

The industry advisory committee appointed by the Indiana A&H Assn. at the request of the legislative committee has announced that it will examine first, the policies and advertising of companies against whom complaints have been lodged. Policy forms and advertising were submitted by all companies writing A&S in the state at the request of the investigating committee.

The investigating committee has set Jan. 22 as its next meeting date.

Equitable Lends \$12 Million

Equitable Society has made a commitment to provide \$12 million in mortgage financing for the Ala Moana shopping center in Honolulu. Located midway between downtown Honolulu and Waikiki, the center will give the city its first modern retailing facility.

Equitable Society Passes \$30 Billion Of Life In Force

Production figures indicate that Equitable Society passed the \$30 billion mark in life insurance in force during December. The company also sold a record \$1,542,515,000 in ordinary during the first 11 months.

The new in force total represents an increase of 12%. About \$17 billion of the total represents group, while the remainder is ordinary.

Equitable reached its first billion in force in 1899. With the addition of group life, the figure rose to \$10 billion by 1946 and \$25 billion in 1955.

Beinke Retires As A.A.L. District Agent In Illinois

Walter Beinke of Chester, Ill., has retired from Aid Association for Lutherans after more than 33 years as an A.A.L. district agent. He started with A.A.L. in 1924 and in 1927 he moved to Chester where he has been serving members of the fraternal in Jackson, Randolph and Perry counties.

Mutual Benefit Adopts New Premium Notice Drawn By Policyholder

Mutual Benefit Life found a policyholder's suggestions for improving its premium notices so good that it has revamped the existing form by adopting the recommendations.

The policyholder, Edward Flannery, Jr., a senior at Denver University college of business and a commercial artist, suggested in a letter to the home office that the premium notice could be made more readable by a new design and format. He sent along a sketch of the proposed changes.

Home office executives agreed with Mr. Flannery that his sketch said everything the policyholder wanted to know, invited reading, used color and type to advantage and was friendly and businesslike. His suggestions, which called for a complete re-designing of the old notice, were adopted almost without change and are now in use.

Mr. Flannery, a Mutual Benefit policyholder, devotes part of his time to designing forms.

Loaded Question

Do you place as much as \$500 a year in paid premiums on surplus life insurance?

If so, you'll want to find out—right now—about Occidental's new brokerage agreement providing for commissions (3% on most policies) after the 10th year. Here—through the LIFE-TIME RENEWALS it makes possible—is a new way to make more income without more work on the business you're already writing.

And if you're not now placing \$500 a year in paid life brokerage business, you'll want to start doing it in 1958 under one of these new contracts. For the career man writing business that stays and pays, this is the brokerage agreement that pays as long as it stays.

Loaded question? Yes indeed! Loaded with extra commission dollars for you. Call your nearest Occidental office or write to Occidental's home office.

"A Star in the West..." ☆



Occidental
Life

HOME OFFICE: Los Angeles
W. B. STANNARD, Vice President

"WE PAY LIFETIME RENEWALS . . . THEY LAST AS LONG AS YOU DO!"

SALES IDEAS THAT WORK

N. Y. Agent Relies On Phone And Direct Mail To Attain High Volume Among Fellow Urbanites

By JOHN B. LAWRENCE Jr.

When Leo Bayard entered the business with Union Central at New York 2½ years ago he made good friends with the telephone. This and direct mail were his biggest helpers in selling \$500,000 in 1956 and \$750,000 in 1957 in the metropolitan area.

Mr. Bayard recently appeared before New York City Assn. of Life Underwriters to talk about his specialty, selling the urbanite. He recalled that the telephone became his first sales tool after joining the agency. He also was handed an industrial directory, a social security sales pitch and was told he would get \$1 for each appointment

he made. The appointments were distributed to the more experienced agents.

He made \$50 the first week by looking up firms in the industrial directory, 'phoning them and reading this talk from a piece of paper:

"Mr. —, this is Mr. Bayard from the social security department of Union Central Life Insurance Co. Some of the leading insurance companies in the country are informing the public about the latest increases and changes that have gone into effect under the new social security law. As a leading

officer of your firm, these increased benefits are of vital importance to you, your family and your employees. I expect to be in your neighborhood on Tuesday or Wednesday of this week for this purpose. On which of these two days would it be more convenient for you to see me?"

Although the talk was nothing unusual, it produced excellent results because he made so many calls. He telephoned 200 firms in one week alone.

"The secret lies in the number of calls you make," Mr. Bayard pointed out. "It was the toughest period I ever had in the business, but as a result the telephone has become one of my most important prospecting tools."

During his first summer in the business, he spent a month cold canvassing stores in his own neighborhood—but met with little success.

As a result, he returned to his telephone and subsequently added a direct mail approach to his sales technique.

After a lot of hit and miss effort, Mr. Bayard found that his direct mail works best with a qualified list of names purchased or compiled from reliable sources. He chooses a professional category, then selects a home office letter which applies best to the particular profession. He buys a list only for a specific purpose or plan.

After Union Central introduced its new special preferred women's policy, he paid \$20 for a list of 500 female executives earning between \$7,500 and \$10,000 a year. He circularized all of them, received 21 replies, obtained 12 interviews and sold a total of \$140,000 of ordinary life to eight.

An appointment carries dignity, prestige and professionalism with it, he said.

"We all know that referred leads, centers of influence and nests are the ideal methods of prospecting," he added. "But add to these the direct mail and the follow-up 'phone call and you'll be making clients out of strangers."

Mr. Bayard limits his mailings to 25 letters a week. Then he follows up all names with a telephone call a week later, whether they have replied or not. This way, he has to make no more than five visits each day or night and thus conserves his ammunition. He solved his problem of finding things to do during the day by making follow-up telephone calls and contacting business firms for appointments.

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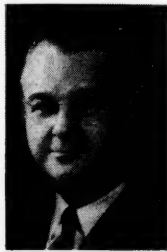
Lag In Study Of Communications As Aid To Agency Work Called 'Almost Shocking'

The rising importance of communications in agency work was brought out at a 2-hour session at the annual meeting of LIAMA in Chicago, with varied demonstrations to show what is being done in this field.

"It is almost shocking," said Chairman Horace R. Smith of LIAMA's ed-



Howard H. Conley



Horace R. Smith

ucation and training committee, who is assistant agency vice-president of Connecticut Mutual Life, "that only in recent years has communication been considered for serious study among our leaders."

The program chairman was Howard H. Conley, assistant vice-president of New York Life, with Kenneth P. Dowd, educational director of Phoenix Mutual, as production director.

A 10-minute skit to set the basic agency problems in communications, portraying an agency meeting of the "Edgewater Life" followed remarks by Mr. Smith.

Mr. Conley then summarized the morals to be drawn from the skit as follows:

"First, you have a problem of getting new information and knowledge to your sales force through your sales managers. Your training director pointed out that rushing things through without the proper preparation and build-up results in flops. The agency vice-president pointed out that the general agents are always the big bottle-neck—your training and promotional efforts must get through to the agents.

"The second problem is getting your salesmen to translate their new knowledge into action through the use of their skills. The president said 'We've got to get out and sell our agents on this new policy. This calls for grass-roots selling, selling by the enthusiasm we can generate ourselves.' You discussed many devices that would help provide interesting meetings—that would inspire and motivate your salesmen to action.

"And third, you certainly have some problems of internal communications in your agency department. Why didn't the sales promotion director know about the June meeting when the new policy was first brought up—even if he wasn't there? The staff certainly wasn't well prepared with ideas and plans to present to this meeting. And did I detect a note of discord between the agency vice-president and the sales promotion director?

"We plan to show you some of the specific things we find many LIAMA companies using in communications, but first—let's take a quick look at this field.

"Being no experts in communications, we had to do some research preparing for this program. Like most of you, I knew that "semantics" (or more

properly "semasiology") deals with the meaning and sense-development of words.

"I found that a new field called "general semantics" founded in 1937 by Alfred Korzybski, is receiving a lot of study and discussion. General semantics applies a scientific approach and goes deeper than what words mean. It starts with the basis that everyone has certain assumptions or premises resulting from life-long environment which influence his use of words and the interpretation he places on them. Since no two people have exactly the same premises or assumptions, the opportunity for misunderstanding may easily be seen.

"While this subject of general semantics is most interesting, it is quite involved and would take more time than we have here to review. I think many of us know more about communications than we practice. I say "know" because we understand it theoretically but we do not keep the principles in mind on a moment-to-moment—day-to-day-basis.

"To do a good job of communicating, there is one fundamental principle (CONTINUED ON PAGE 18)

Selke Takes Over As Texas Chief Examiner

AUSTIN—Despite a filed protest by unannounced Houston life insurance men, Harold E. Selke, CPA, of Houston, took over Jan. 2 as chief examiner of the Texas department, succeeding E. B. Kelley, who will fill a similar post with the Oklahoma department Feb. 1. Mr. Selke has recently been comptroller for a group of insurance companies in Houston, including the Sam Houston Life, and has had accounting experience with other types of companies.

The Houston complaint, said Commissioner William A. Harrison, made no charge against Mr. Selke's ability or integrity, but was based on certain alleged practices of a company for which he had worked. Mr. Harrison pointed out that Mr. Selke had been concerned only with the company's financial affairs.

Cleveland CLUs To Mark 25th Year, Honor Huebner

Cleveland chapter of CLU will honor Solomon S. Huebner, president emeritus of American College, at a dinner, Jan. 16, marking the 25th anniversary of the chapter.

HIC Offers Information Bulletins To Hospitals

Problems of mutual concern to hospitals and insurance companies will be reviewed in a new series of information bulletins to hospital administrators being published periodically by Health Insurance Council.

Entitled "Health Insurance—Information for Hospitals," the bulletin service will be distributed to 4,000 administrators in general short-term hospitals throughout the country and to executive secretaries of state and local hospital organizations. The bulletins will analyze the nature and types of A&S coverage. Administrators will be appraised of the development of new forms of coverage, with emphasis on experimental activities designed to provide more adequate protection for older people, impaired risks and people living in rural areas. Over-insurance, small group coverage and the broadening scope of major medical also will be explored.

A "ONE BALL" PITCHER

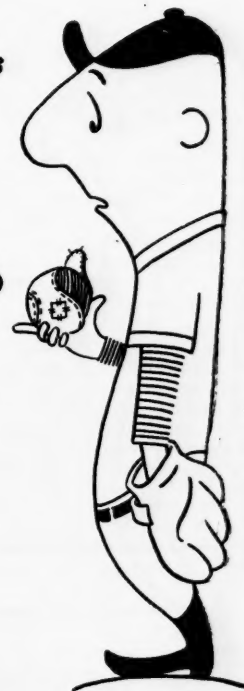
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Ind. Hospitals Get Questionnaire On Insurance Practices

The direct question of whether or not they give special rates to any insurer is being asked all licensed hospitals in Indiana by the state's legislative committee investigating hospitalization insurance practices. The question is the first half of question 9 on an 11-question form mailed by the committee Dec. 24. Second half of the question reads, "Do you give any credit to some company, or companies, not given to all others?"

Five other questions also probe for practices favoring one insurer or showing discrimination among insurers, among them:

"Do you permit or direct any of your employees to recommend any insurance company? If so, please list company or companies."

"Do you charge a fee for completing claim forms? If so, is the charge made to all insurance companies?"

"Do you advertise for any insur-

ance company? Would you do the same for any company or plan?"

Other questions completing the form going to hospitals are:

"List the insurance companies with which you have experienced difficulty in settlement of claims and state the nature of difficulty."

"Do companies cover diagnostic care and then cancel policy before patient can enter into treatment of the sickness or disease? If so, list such companies."

"Are you required to file admitting diagnosis for patients on admittance to the hospital? Do you believe this to be troublesome or do you feel it serves a useful purpose?"

"Do you charge out-of-town patients the same rate for hospital care that you make to residents of your own county? If difference in rates, please explain why."

"Do you enter into a contract to provide hospital care to insured of any company?"

"Would you favor a uniform claim form and benefits assignment form?"

HIAA To Hold Annual Group A&S Forum At Chicago Feb. 17-19

The annual group forum sponsored by Health Insurance Assn. of America will be held Feb. 17-19, at the Drake hotel in Chicago.

Registration will start on Sunday afternoon, Feb. 16, and continue until 10 a.m. the next morning when the general session will be convened by John W. Crews, vice-president of Benefit Association of Railway Employees, chairman of the HIAA forum subcommittee.

Dr. Rudolph H. Friedrich, secretary of the Council on Dental Health of American Dental Assn., will speak on "Dentistry's Interest in Health Insurance" at 11 a.m. Feb. 17. Jerome Pollack, program consultant of the UAW-AFL-CIO social security department, will speak at the annual group luncheon the same day on "Health Insurance Today and Tomorrow; a Labor View."

Chairman of the association's group

committee is C. Manton Eddy, vice-president and secretary of Connecticut General, who is scheduled to deliver the opening address. He will discuss the present situation in group A&S.

Working with Mr. Crews are members of the HIAA forum subcommittee developing the program for the meeting: Arthur M. Browning, vice-president in charge of group of New York Life; Lawrence M. Cathles Jr., vice-president of the group division of Aetna Life; Stefan Hansen, director of group of Great-West Life; Charles G. Hill, vice-president of Massachusetts Mutual, and Ralph C. Knoblock, 2nd vice-president of Washington National.

Insurance executives from member companies in the U. S. and Canada concerned with group A&S will hear reports and discussions of the latest developments and experience in all phases of group underwriting. Other subjects to be covered include the current state and national legislative picture by Robert R. Neal, general manager of HIAA; Health Insurance Council by Howard A. Moreen, vice-president of Aetna Life, council chairman, and Health Insurance Institute by James R. Williams, vice-president of HII.

A series of 10 workshop sessions will be held the mornings of Feb. 18 and 19. Topics include professional association and trade association group insurance, comprehensive major medical, insuring small groups, group reserves, salary continuance and keyman insurance, and retired employees and group conversions. Attendance at the workshops will be limited to those signifying in advance that they wish to participate in a particular session.

Indianapolis DITC Course Starts Feb. 20

The seventh consecutive DITC course will open at Butler University in Indianapolis on Feb. 20 and run for the next 12 consecutive Thursdays, according to W. Harold Petersen, assistant superintendent of agencies, A&S, American United Life, Indianapolis. Mr. Petersen is chairman of Indianapolis A&H Assn. educational committee.

All Indianapolis DITC courses are sponsored jointly by Indianapolis A&S and life agents' associations and receive promotional backing from General Agents & Managers Assn. and Indianapolis CLU chapter.

Indianapolis, the first city to run the old DISC course of International A&H Assn. on a 12-week basis, jointly sponsored by the life and A&S organizations, also pilot-tested DITC for the nation three years ago and has run a course at Butler University every semester since.

Instructor for the new course is William Highfield, A&S editor, R.&R. He has taught all DITC classes in that city.

Houston Insurance Club Elects Gammage President

HOUSTON—Earl W. Gammage, chairman and president of Pan American companies, has been elected president of Insurance Club of Houston. Other new officers are: A. W. Lowery, Republic National Life, vice-president, and Robert L. Clark, Columbia General Life, secretary.

Lutheran Brotherhood of Minneapolis, was licensed to operate in Tennessee, Oklahoma, Kentucky, and Alaska, during 1957. The society is now licensed in 36 states, District of Columbia and five Canadian provinces.

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Thurman Warns He'll Ask Ky. Legislature For Control Over Credit Life

Commissioner Thurman of Kentucky has put companies doing business in that state on notice that he will ask the 1958 legislature for authority to curb abuses and regulate rates charged for credit life insurance.

Outlining his views to some 500 representatives of insurance companies, finance companies, organized labor and legislators at a hearing in Frankfort, Mr. Thurman said: "We propose to have introduced in the 1958 general assembly a bill to guarantee the honesty and integrity of credit insurance, to correct and prevent abuses that are known to us, and to guarantee that the people of Kentucky are treated fairly."

Some of the abuses that Mr. Thurman listed are:

- Nondisclosure to the borrower of the types of insurance and the cost of each coverage.
- Premiums are charged that are not reasonable in relation to benefits provided.
- Failure to make refunds to the borrower upon cancellation and prepayment of the indebtedness.
- Faulty processing of claims.
- Packaging of insurance with non-insurance services.
- Inclusion of coverages of a severely limited type.

Credit insurance, virtually unheard of a decade ago, has grown more

than 4,000% since 1945, he said. He reported that a national survey has disclosed that a four-state region which includes Kentucky leads the nation in credit life commissions with 36.79% while the national average was 9.1%. Although competition in the insurance business usually results in better service and reduction in costs to the insuring public, reverse competition has developed in credit life because the higher the rates charged by the insurance company the larger the commission paid the lender.

During the hearing it developed that Mr. Thurman had submitted a draft of a proposed bill to an unidentified person who in turn had it reproduced and widely circulated. This draft bill proposed to put a ceiling of 50 cents a year per \$100 on credit life premiums for reducing term policies. A ceiling of \$1 a year per \$100 was to be the ceiling on level term credit life.

Representatives of a number of large companies came out in favor of a law imposing such a ceiling on premiums, but representatives from smaller insurance companies and finance organizations objected on the grounds that fixing maximum rates by law could run them out of business. The smaller companies write credit insurance on an individual basis, hence, they argued they cannot spread their risks as can those that write group insurance. Of necessity, premiums on individual policies must be higher, they said.

'Making The Peso' Will Be Theme Of Brooklyn Sales Congress Jan. 15.

Brooklyn branch of New York City Assn. of Life Underwriters will hold its annual sales congress Jan. 15 at 2:00 p.m. in the St. George hotel, Brooklyn.

Robert W. Quatsoe, manager of New York Life, has arranged a program called "Making the Peso." Speakers will be Arnold Kahn, New York Life, on "Presentations;" Leo Zass, retired manager of New York Life, "Enthusiasm;" Carl Lundy, director of the field training division of Prudential, "Success Through Business Life Insurance;" and George D. Ayd, staff manager of Prudential, "Overcoming Objection." Mr. Ayd and Mr. Kahn will combine their addresses in a playlet, "It's You Who Makes the Sale!"

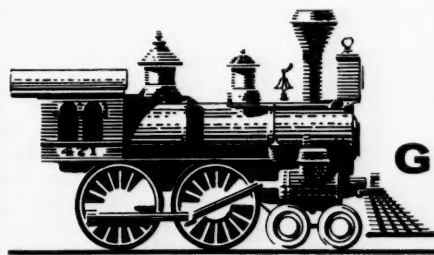
Wilbur Neustein, associate manager of Prudential, creator of "Brooklyn life insurance week," which will be conducted Jan. 13-18, will speak on the meaning and purpose of the observance.

Western & Southern Guaranty Union Merger OK'd By Cal. Department

The merger of Western & Southern Life of Cincinnati and Guaranty Union Life of Beverly Hills has been given final approval by the California department. Under terms of the merger agreement, Guaranty Union becomes the western division of Western & Southern and will expand to handle 11 western states, Alaska and Hawaii. With the merger, Western & Southern ranks 19th among the country's 1,100 legal reserve life companies, with more than \$4 billion insurance in force and assets exceeding \$800 million.

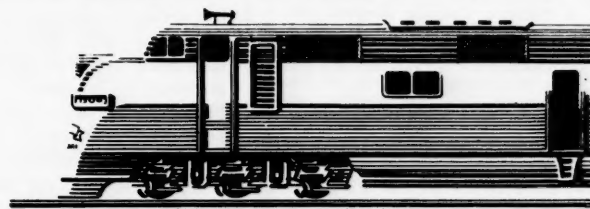
Cal. Assn. Lists 1958 Speakers

California State Assn. of Life Underwriters has prepared a 1958 roster of 57 speakers to aid local associations in planning programs. In addition to names and addresses of speakers the 5-page survey lists subjects and costs. Copies have been mailed to local presidents and program chairmen and are available from the association.



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Stevenson, Resident Manager.

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INDIANAPOLIS 20, IND.—5634 N. Rural St.,
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Manager for Indiana and Michigan.

LOS ANGELES 66, CAL.—11326 Kingsland
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Pacific Coast Manager.

MINNEAPOLIS 2, MINN.—1038 Northwest-
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J. Meyer, Northwestern Manager.

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and Clarence W. Hammel, New York Man-
agers.

NEWARK 2, N. J.—10 Commerce Ct., Tel.
Market 3-7019. John F. McCormick, Resi-
dent Manager.

PHILADELPHIA 9, PA.—123 S. Broad St.,
Room 1027, Tel. Pennypacker 5-3706. Robert
I. Zoll, Middle Atlantic Manager.

ST. LOUIS 2, MO.—221 Pierce Bldg., Tel.
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EDITORIAL COMMENT

Stimulating Ideas From The Outside

Why is it that so few—perhaps none—of the major improvements or changes in the life insurance business have come from outside the business?

If this seems like a strange question, consider what Lawrence R. Hafsted, General Motors vice-president in charge of research staff, told the recent joint research and development conference put on by industry and the navy. Why is it, Mr. Hafsted asked, that some of the major developments in major fields have come from people outside the particular industry? For example, why were diesel locomotives developed outside the railroad industry and not by the manufacturers of steam locomotives? Why weren't the safety razor and the electric shaver originated by the people who made—and still make—the old-fashioned straight razor?

So the paucity of life insurance advances coming from outside the business seems to be contrary to the pattern of other industries. In a way, this is a compliment to the ingenuity and resourcefulness of those in the life insurance business, because Mr. Hafsted thinks the reason so many major improvements have come from outsiders in other lines of work is that there is a mental block among those in the industry itself. But unless we are to go on the untenable premise that all the possible good ideas are being thought up and developed at top speed by those in the life insurance business, don't we have to conclude that some brilliant ideas might be fostered by doing more to encourage outsiders to think about life insurance problems and come up with some worth-while solutions? One result, incidentally, would at least be to elicit something more sensible than the buy-term-and-invest-the-difference concept that amateur actuaries are continually re-discovering.

Paraphrasing, the punch-card computer and the electronic data processing machine should not be overlooked as a contender for a place as outside-developed improvements that have had a tremendous effect on the life insurance business. But they aren't quite like the things Mr. Hafsted was talking about. To have an example on all fours with those cited by Mr. Hafsted, you'd have to have something like family income, or the variable annuity, or major medical being thought up by persons not connected with the insurance business.

For example, in our Dec. 7 issue we printed a letter from a non-insurance man who wanted to know why he couldn't buy a deferred life insurance policy on his grandson that would not take effect until the child, now six, reached age 18. If this man were to develop such a policy and promote its sale so it eventually achieved general acceptance, you'd have a situation like the examples that Mr. Hafsted cited.

Also, if over-the-counter selling of life insurance should become wide-

spread, it would be another example for Mr. Hafsted, though most life insurance people would classify it as a "development" rather than an "improvement." Over-the-counter selling of life insurance could be said to have had its start with the savings bank life insurance system in Massachusetts and its latest boost from Sears, Roebuck & Co., via its recently organized Allstate Life.

Doubtless the reason so few of the major developments in life insurance have come from outside the industry is that the general public knows remarkably little about life insurance beyond the most elementary information. By too many people it is considered abstruse and forbidding rather than as a fascinating challenge to further investigation. We believe too many insurance people are too ready to accept this public attitude as the only natural and reasonable one.

But actually, there is no reason why life insurance could not become the sort of secondary field of expertness

that radio, high-fidelity, gardening, sports cars, or contract bridge are to many people. These folks aren't professionals in these avocational fields but they get more fun out of them than the grim ones who do it for their meat and potatoes.

Now and then we overhear on the bus or commuter train a conversation evidencing a pretty competent knowledge of life insurance, even though it's obvious the speaker isn't in the business. Much more of such interest could be fostered by deliberate intent. A great deal is being done among high school students through Institute of Life Insurance. This can't help but have good results. But there are other publics that could also be reached.

Perhaps one way would be in advertising, by providing more technical information in advertising copy. Many readers will of course ignore it, just as most women readers skip over the stuff in automobile advertising that gives the bore and stroke and number of cubic inches of engine displacement. There could well be more articles, in general magazines, on interesting problems of the life insurance business. Even if these stimulated only a few active and ingenious minds to seek solutions, the results could easily far outweigh the effort.—R.B.M.

manager for Hartford Accident in Cincinnati, and Mrs. T. D. Hunnicutt, wife of a Cincinnati physician, and three grandchildren.

DEATHS

RUFUS G. POLAND, Montana commissioner from 1917 to 1919, died at Portland, Ore. He was about 80 years old. He was appointed commissioner to complete the term of William Keating who died in office, but was defeated in the election in 1918. In recent years he had been active in politics in Portland.

FREDERICK H. SCHULZE, 61, who retired from Prudential in 1956, died at Orange, N. J., Memorial hospital after a long illness. He joined the company in 1912 and was in the district agencies department for 35 years. He was named a 2nd vice-president in 1945 and became general manager of the agencies service department in 1949.

WILLARD E. LORD, 77, outstanding accident and sickness general agent in Cincinnati, died of a heart attack. He had not been in good health for about two years, but had continued to work at a reduced pace and as recently as Dec. 13 had attended and taken a bow at the meeting of Cincinnati Assn. of A&H Underwriters. He had been at his office the Saturday before his death and was stricken Sunday.

Starting with National Surety as a bond man in Pittsburgh, Mr. Lord went to Detroit with that company and moved to Cincinnati with Neare, Gibbs & Co. in 1912. In December, 1914, he became general agent for Continental Casualty. The agency was incorporated under its present name, W. E. Lord & Co., in 1922 and became one of the most prominent A&S offices in the country.

Mr. Lord is survived by Mrs. Lord, two daughters, Mrs. C. T. Baumgartner, whose husband is casualty

Md. Blue Cross Seeks 22% Rate Increase

Maryland Blue Cross has applied for permission to increase its rates an average of 22%, while benefits would remain the same. Blue Shield is not seeking a rate increase.

Under group plans, the individual rate would be increased from \$2.10 to \$2.60 per month, while the family rate would climb from \$5.30 to \$6.40. For non-group and direct payment subscribers, the quarterly rate would be increased from \$7.50 to \$9.90 for an individual and from \$17.70 to \$21.60 for a family.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co.
135 S. La Salle St., Chicago, Jan. 7, 1958

	Bid	Asked
Aetna Life	189	193
Beneficial Standard	13½	14½
Business Men's Assurance	60½	62½
Cal.-Western States	78	81
Columbian National	64	67
Commonwealth Life	17	18
Connecticut General	240	245
Continental Assurance	112	115
Franklin Life	54¾	56
Great Southern Life	62	67
Gulf Life	21	22
Jefferson Standard	69½	71½
Kansas City Life	1050	1075
Liberty National Life	29	30
Life & Casualty	16½	17½
Life of Virginia	99	102
Lincoln National Life	174	178
National L. & A.	96½	98½
North American, Ill.	17½	18½
N. W. National Life	73	76
Ohio State Life	250	262
Old Line Life	41	45
Republic Natl. Life	35	37
Southland Life	67	72
Southwestern Life	93	96
Travelers	73½	74½
United, Ill.	19½	20½
U. S. Life	26¼	27¼
West Coast Life	40	42
Wisconsin National Life	60	63

Pre-authorized Check Plan Introduced By Home Life Of N. Y.

Home Life of New York has introduced a pre-authorized check plan called the automatic monthly payment service.

The policyholder authorizes Home Life to draw one check a month from his regular checking account for the amount of the premiums and authorizes his bank to honor these checks. In addition to simplifying the usual method of premium payment, the plan may encompass all the policyholder's Home Life policies—existing contracts as well as new ones—at less than the regular monthly payment costs.

James R. Leal, Former President Of LIC, Dies

James R. Leal, 73, consulting vice-president and a director of Interstate Life & Accident, who was president of Life Insurers Conference in 1927-29, died of a heart attack while fishing near Chattanooga.

Mr. Leal entered the business as an office boy in the home office of Life of Virginia. He later became a consulting actuary at Atlanta and deputy commissioner of Florida. He joined Interstate as actuary 36 years ago. He was chairman of the combination companies section of American Life Convention in 1942-43.

Mutual Benefit Life Policies Again To Be Scholarship Prizes

For the second year in a row, Mutual Benefit Life policies will be awarded as prizes in a nationwide scholarship contest. Forty-nine scholarships totalling \$75,000 will be given to winners of the national youth scholarship contest sponsored by Johnson & Johnson, surgical dressings manufacturer, in cooperation with Mutual Benefit Life.

The contest starts Jan. 15 and ends May 5. Awards will be made on the basis of the best 50-word essays on

Kemper Enters Life Field With Hook Up Of Fidelity Life Assn.

Kemper companies have entered the life field with the hook up of Fidelity Life Association of Fulton, Ill., with the fire and casualty group after more than three years of close working affiliation.

A number of Kemper officers and directors have held top positions with Fidelity Life for the past few years. Donald C. McDowell and Walter C. Below, both directors of Lumbermens Mutual Casualty, are chairman and president, respectively, of the life insurer. N. C. Flanagan and Chase M. Smith, officers of Kemper companies, have been directors of Fidelity since 1954, and William H. Rothermel, formerly on the Kemper home office staff, has been with Fidelity since 1955 and has been executive vice-president since last September.

Fidelity operates in 17 states and has assets of \$21,184,539 and insurance in force of \$88,675,596.

Seaboard Offers Special Risk Plan

Seaboard Life of Miami has introduced a special risk life policy which offers up to \$15,000 to persons aged 22 to 55 and goes beyond 500% of mortality. The contract has an immediate cash value and does not penalize for a rating. Applicants will be required to undergo adequate physical examinations but will not be disqualified automatically for certain ailments.

"Why A Good Education Is Important." The scholarships are Mutual Benefit Life contracts that are intended to endow at age 21 or under. They can be surrendered earlier for their cash value for educational purposes.

The grand prize is for \$10,000. There are two second prizes of \$5,000 each, four third prizes of \$2,500 each, six fourth prizes of \$1,500 each, and 36 prizes of \$1,000 each. Last year there were 150,000 contestants.



Sketch of the new addition to Western & Southern's home office building in Cincinnati. The seven story structure, on Broadway between Fourth and Fifth streets, is nearing completion at a cost of \$3.5 million and will be officially opened during the company's 70th anniversary celebration in April.

The new building will contain the main entrance, on Broadway, executive offices, policyholders service department, board room and general office space. One floor will be given over to the new IBM 650 "electronic brain." An innovation is that the new building will have 16 escalators and only one elevator. Escalators will also be installed in the north annex building.

The old home office building, with its main entrance on Fourth street, is directly to the right of the new building in the sketch. Back of the new building and immediately to the left and right can be seen the corners of the north and south annex buildings, across McAllister street. They will be connected to the new building by pedestrian bridges. The home office building of the National Underwriter Co. is next to the south annex building.

Keep a long step ahead of competition with

American Casualty's NEW

COMPREHENSIVE MAJOR MEDICAL POLICY

1	PAYS BOTH	2
BASIC		MAJOR
MEDICAL EXPENSE		MEDICAL EXPENSE
\$500.00		\$10,000.00
Pays up to \$500.00 of covered medical bills after a \$50 deductible		After \$500.00 has been paid, the policy then pays 80% of medical expenses incurred within 3 years* up to an additional limit of \$10,000.00 (or \$5,000.00).

FOR INDIVIDUALS AND FAMILIES: Unallocated benefits for accident and sickness (treatment in home, hospital or doctor's office) ... level premiums ... special children's rates ... minimum exclusions ... pays regardless of other insurance in force except Workmen's Compensation or Occupational Disease Act or Law Benefits. GET ALL THE FACTS TODAY.

(*2 years in Calif.)

AMERICAN CASUALTY
COAST-TO-COAST BRANCH OFFICE SERVICE

AMERICAN CASUALTY CO., READING, PA.

Please send Sales and Information Kit on the new COMPREHENSIVE Major Medical Expense Plan.

Name _____
Address _____
City _____ State _____

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AN INDIANAPOLIS LIFE
GENERAL AGENT

IS A HAPPY MAN

HERE'S WHY:

Indianapolis Life provides its agents and general agents with liberal commissions ... life-time service fees ... hospitalization and major medical benefits ... group life ... and a non-contributory pension plan. A substantial training allowance is also provided, together with ALL the tools for building a successful, profitable agency—including: 1 Career compensation plan and production incentive agreement for new men. 2 Basic and programming schools. 3 Success-proven training courses. 4 Business and tax seminars. 5 Check-o-matic and premium deposit plans. 6 Special college senior plan.

PLUS A complete line of competitive life, accident, sickness, hospitalization, major medical and family policies.

WALTER H. HUEHL, President

ARNOLD BERG, C. L. U., Agency Vice-President

INDIANAPOLIS LIFE

INSURANCE COMPANY

Mutual—Established 1905

INDIANAPOLIS 7, INDIANA

AGENCY OPPORTUNITIES in Colo., Fla., Ind., Iowa, Ky., Mich., Minn., Mo., Neb., N. D., Ohio, S. D., Texas, Wis.

HOME OFFICE CHANGES

Canada Life



Frank W. Bland

ness. For 28 years he was Pacific coast manager of the National Underwriter Co.

North American Life

In a number of home office promotions, **Leslie O. Copeland**, vice-president and treasurer, has been ad-

vanced to executive vice-president; **Arthur C. Rooney**, vice-president and general counsel, to senior vice-president and general counsel; **Frank R. Thomas**, assistant vice-president, to underwriting vice-president; **Leroy I. Phelps**, assistant vice-president, to claim vice-president; **John C. Davis**, assistant treasurer, to treasurer; **Walter F. Turck**, assistant director of agencies, to resident vice-president of Wisconsin; **Charles G. Ashbrook Jr.**, assistant to agency vice-president, to assistant agency vice-president; **John F. McManus**, assistant actuary, to associate actuary; and **James Rasek**, underwriter, to assistant secretary.

General American Life

Two men in the company's St. Louis agencies recently received supervisory appointments as agency organizers. **L. W. E. Laudel**, formerly with the James J. Roberts agency, is now assisting in the development of the agencies' present organization and the training of new men. **Ronald F. Stevens**, former-

ly with the Louis J. Clark agency, now aids in the development and promotion of the company's budget insurance (salary savings) program, working with new company contacts and associates in the agencies. Mr. Laudel went with General American in 1954. Mr. Stevens was previously with Metropolitan Life for 12 years in St. Louis.

Paul Revere



P. W. Colflesh

Paul W. Colflesh has been named eastern regional superintendent of agencies of Massachusetts Protective and Paul Revere. He will supervise a 12-state territory from Baltimore headquarters. He has been manager of Bankers Life of Iowa at Baltimore for three years.

Provident Mutual

Edward L. Stanley has been elected vice-president and manager of mort-

gage loans and real estate of Provident Mutual. **Charles E. Probst** has been elected vice-president of the group division. **William C. Trapnell**, has been promoted from financial secretary to 2nd vice-president, securities. **B. Franklin Blair** was promoted from associate actuary to actuary. **Clifford G. Dennis Jr.** and **Harry A. Gentner** were elected financial secretaries. **James Hendrickson**, **William A. Spare** and **Robert G. Ward** were advanced from assistant actuaries to associate actuaries. **Lawrence W. Haines** was promoted from actuarial assistant to actuary. Newly elected officers are **Robert A. Adams**, who will be director of advertising and sales promotion; **John R. Cannon**, assistant manager of mortgage loans and real estate; **William F. Sessoms Jr.**, director of agency department services; **Everett T. Allen Jr.**, manager of the group pension department; **William G. Williams**, manager of the group insurance department; **William B. Forest**, group actuarial assistant, and **Alfred Wilmoth**, assistant manager of group sales.

Occidental of California

Appointed to the newly-created position of 2nd vice-president are **Meno T. Lake**, **A. B. Halverson**, and **J. Edward Carnal**.



Meno T. Lake

ing and operations. Also with the company since 1936, Mr. Carnal has been



A. B. Halverson



J. Edward Carnal

superintendent of agencies since 1952. In other promotions, **W. Joe Liven-good** was named vice-president, and **A. Mason McNeill**, **Stewart L. Hall**, and **James A. Carey**, were named assistant secretaries.

Aetna Life

Louis E. Ames, cashier of Aetna Life since 1946, has retired. He joined the company as a switchboard operator in 1902. He was named assistant cashier of Aetna Life in 1926 and later was appointed to a similar position in Aetna Casualty, Automobile and Standard Fire.

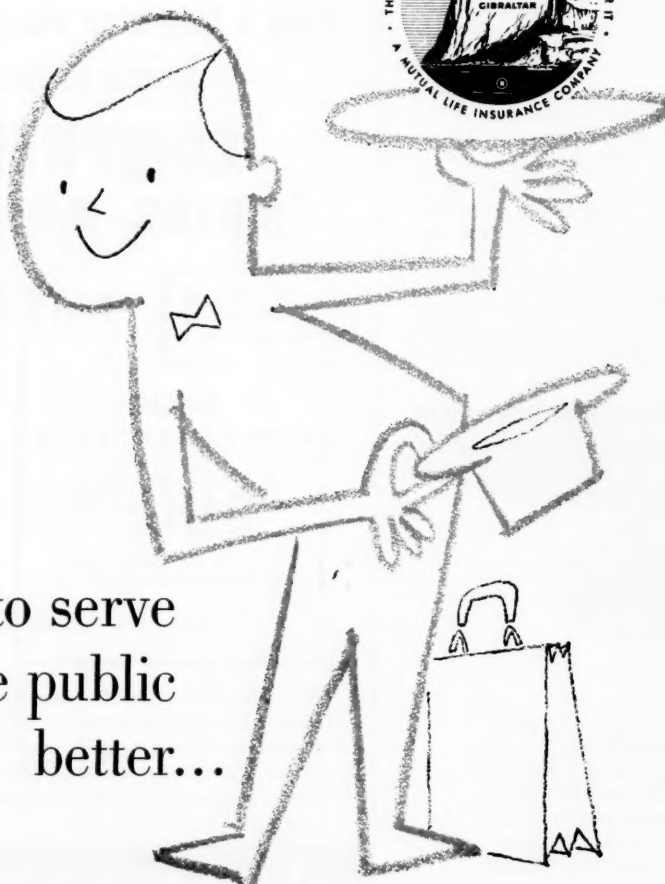
Western & Southern Life

William R. Burns and **Jack L. Morgan** have been appointed associate actuaries. Mr. Burns, who joined the company in 1956 after nine years in the business, is a fellow of Society of Actuaries. Mr. Morgan, with the company since 1955, is an associate of Society of Actuaries.

Travelers

Richard D. Jervis, assistant superintendent of agencies since 1949 and former manager at Cincinnati, has been appointed director of training

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the public
better...



The
Prudential

INSURANCE COMPANY OF AMERICA

... Prudential Field Representatives are constantly striving to increase their knowledge of the life insurance business. In line with this effort over 4,000 Prudentialites are L.U.T.C. graduates. Another 4,000 have completed half of the L.U.T.C. course. Almost 900 have finished the new Sickness & Accident Course; over 500 wear the key of the

Chartered Life Underwriter, and more than 800 have completed one or more of the C.L.U. parts. All of this self-development is in addition to the regular Prudential courses that all agents and supervisory field personnel must take. The end result is something that The Prudential has always stressed: "The Best Possible Service To The Public."

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and special services. Seymour G. Reitman, senior consultant in the special services division since 1956 and former head of research and planning of J. D. Marsh & Associates of Washington, has been named assistant superintendent of special services. William J. Murphy, manager at Lubbock, Tex., since 1953, has been named assistant superintendent of agencies. William E. Siebert Jr., assistant manager at Newark, has been appointed assistant superintendent of training.

Massachusetts Mutual

Massachusetts Mutual has named Fred T. Googins Jr. and James R. Martin 2nd vice-presidents. Mr. Googins entered the business in 1929 and



F. T. Googins Jr.



J. R. Martin

joined Massachusetts Mutual in 1946 as manager of the group claims division. He has been group secretary since 1954. Mr. Martin entered the business in 1940 and joined Massachusetts Mutual in 1951 as assistant superintendent of agencies. He has been director of agencies since 1956.

Cuna Mutual

Four executives have been promoted to newly created positions as assistant managing directors. They are T. B. Benson, executive assistant man-

aging director; O. H. Edgerton, research and development; M. E. Gregory, policyholder relations; and J. A. Colby, field operations and sales.

Also promoted were W. B. Tenney to director of field operations; H. C. Custer to manager of policyholder relations, and J. M. Sparkman to director of credit union league relations.

Manhattan Life

Anthony V. Rumolo has been appointed assistant superintendent of agencies. Before joining Manhattan Life he was manager of the life and estate planning department of Johnson & Higgins, New York insurance brokerage firm, and before that was with Equitable Society in New York.



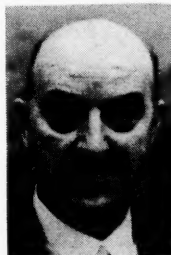
Anthony V. Rumolo

First Colony Life

Raymond G. Campbell, who joined First Colony Life as agency assistant in 1956, has been promoted to assistant superintendent of agencies. He entered the business with John Hancock at Albany, N. Y., in 1947 and became assistant district manager two years later.

Continental Assurance

Joseph J. Lotz, superintendent of the group creditor insurance division, has been appointed assistant vice-president, with the continuing responsibility for research, development and



Joseph J. Lotz



Lincoln C. Cocheu

sale of the company's consumer credit lines. He went with Continental Assurance in 1942 as manager of the group service department.

Lincoln C. Cocheu, administrative assistant, has been appointed assistant vice-president of underwriting, operating and administrative functions of the group department. An associate of Society of Actuaries, he has been with Continental since 1951. Mr. Cocheu entered insurance in 1931 with Metro-



William V. Hauke



John M. Rodemir

politan Life and prior to joining Continental was director of insurance of U. S. veterans administration.

William V. Hauke, assistant actuary and staff assistant, has been named associate actuary of the group department. Prior to joining the company in the group department in 1953, he was in the actuarial department of



THE MEN WITH THE GUARANTEE

Setting the Pace!

The Men with The Guarantee are setting a dynamic sales pace in the insurance industry.

Their outstanding success is measured by sales that are over 40% ahead of last year, which has pushed insurance in force to more than \$420,000,000 and assets in excess of \$100,000,000.

Career opportunities with The Guarantee offer:

- Agency-minded home office support
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- Two new financing programs
- Excellent pension plan
- Famous Liberal 5-Star Contract



RALPH E. KIPLINGER,
President

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FIDELITY

A WELL-BALANCED COMPANY



Family Counselor . . .

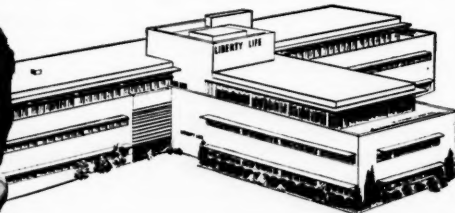
The Life Underwriter helps in the making of plans for the welfare and security of the family.

Fidelity is proud of its life underwriters and family counselors and of the great job they are doing in the field.



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SUPPORT he can count on

The Liberty Life representative knows that he has the backing of a company with a 52-year record of sound, progressive management . . . a skilled staff using the most modern methods and equipment . . . a new home office building designed for company expansion in this rapidly developing region.

More than ever before, the Liberty Life representative has exceptional opportunities for service and advancement.



LIBERTY LIFE

INSURANCE COMPANY

Home Office: Greenville, South Carolina

Pan American Life. Mr. Hauke is a fellow of Society of Actuaries.

John M. Rodemeir, sales manager and assistant to the vice-president, has been appointed assistant vice-president in charge of group brokerage development and prestige account liaison, a newly-created dual post. He joined the company in 1943 as one of the group department's first field sales representatives.

Washington National

Stanley P. Hutchison, assistant general counsel, has been advanced to associate general counsel, **Evan C. Gollan**, auditor, to comptroller, and **Clifford P. Fohr**, assistant secretary and assistant treasurer, to third vice-president. Mr. Hutchison joined the company in the legal division in 1947. Mr. Gollan, in insurance for 34 years, was assistant secretary and auditor of Great Northern Life when it merged with Washington National. Mr. Fohr started his insurance career in the accounting department of National Life of U.S.A.

Equitable Society

Frederick P. Andersen and **Howard S. Baer** have been appointed assistant controllers. Mr. Andersen has been with Equitable since 1927, is a CLU and has been auditor of group insurance accounts since 1953.

Mr. Baer joined Equitable at Columbus, O., in 1929 and has filled various supervisory positions at the home office in the controller's department.

Dr. Robert T. Murray, a cum laude graduate of Georgetown University's school of medicine, has been named assistant medical director in New York. Dr. Murray, who formerly practiced in Scranton, Pa., served his internship in Kings county hospital in Brooklyn and his residencies in Scranton State and St. Vincent's (N.Y.) hospitals.

Manufacturers Life

Hugh H. McElwain and **Thomas H. Dancy** have been appointed assistant secretary and assistant actuary, respectively, of Manufacturers Life. Mr. McElwain was branch secretary in various cities in Canada and the U. S. for 20 years until 1956 when he was transferred to the head office as secretarial assistant. Mr. Dancy has been an actuarial assistant since 1955. He is a fellow of Society of Actuaries.

Kansas City Life

Dan H. Cox, assistant secretary, and **George W. Carter**, member of the legal staff, have retired. Mr. Cox joined the company in 1922 in the farm loan department and was appointed assistant secretary in 1925. In 1944, he became secretary to the executive department. Mr. Carter has been on the legal staff since joining the company in 1939.

Jefferson National Life

E. Kirk McKinney Jr. has been elected executive vice-president. He joined Jefferson National in 1948 and has been vice-president and treasurer since January 1956.

Byron C. Johnson was promoted

from agency director to agency vice-president. He has been with Jefferson National since last January.

Mutual Of New York

Joseph Scott has been appointed to the newly-created position of assistant director for purchasing and office services of Mutual of New York. Mr. Scott, supervisor of the accounting and files division since 1955, will be in charge of the purchasing and office services division and will have expanded responsibilities within the office operations department.

PEOPLES LIFE of Washington, D. C.—**William T. Leith**, vice-president and general counsel since 1953, has been elected executive vice-president and general counsel. **Milton A. Menge**, actuary since 1946, has been elected vice-president and actuary. He is a brother of President Walter O. Menge of Lincoln National and C. Henry Menge, vice-president and actuary of Midland National Life.

HOSPITAL BENEFIT of Phoenix—**John L. Deters**, formerly with Minnesota Mutual at Pittsburgh, has been named to the newly created post of vice-president and director of agencies.

CANADIAN PREMIER LIFE—**F. W. Tallman** has been named assistant actuary. He has been in life insurance 12 years.

NATIONAL PUBLIC SERVICE—**C. W. Hurlbut** has been named vice-president and statistician. **Dr. L. F. Lackie** has resigned as medical director and will be succeeded by **Dr. Floyd M. Burg**.

EDUCATORS INS. CO.—**Paul Herbert** has been appointed vice-president and comptroller. He previously has been with Union Casualty & Life, resigning as comptroller in 1956 to join Educators in the same capacity.

FIDELITY LIFE ASSOCIATION—**James S. Kemper**, chairman of the Kemper companies, has been appointed chairman of the board. He succeeds **Donald C. McDowell**, who has been elected chairman of Fidelity's executive committee.

COLUMBIAN MUTUAL LIFE OF BINGHAMTON—**W. Robert Jenkins** has been elected president to succeed **Raymond D. Dewey**, a director who has been filling the vacancy caused by the death of the late President **Robert M. Neild**. Mr. Jenkins, an independent sales consultant, was formerly 1st vice-president and a director of Northwestern National Life.

TIME LIFE OF SAN ANTONIO—**P. James Craig**, principle actuarial examiner of the Texas insurance board, has been appointed vice-president and actuary. He had been actuarial examiner for two years.

CALHOUN LIFE—Four assistant vice-presidents have been appointed: **Edwin R. Little**, group department; **W. L. DuBose**, combination, and **Curtis C. Gillespie** and **Otis L. Boan**, credit life.

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FIELD CHANGES

Lincoln National Life

Four new general agents have been appointed: **Charles C. Ashby** at Denver, **Sheldon I. Barnett** at Omaha, **John W. Howes** at Santa Ana, Cal., and **Raymond E. King Jr.** at Charlotte, N.C.

Mr. Ashby, who has been named co-



C. C. Ashby



S. I. Barnett

general agent with A. C. Fishack in Denver, has been in insurance seven years as special representative, agency instructor, and assistant manager for recruiting and training. Mr. Barnett began his life insurance career in 1954 with the McMurchy agency in Kansas City. At Omaha he succeeds Dennis Radford Jr., who is retiring from general agency work to continue as a special agent. Mr. Howes began as agent in California in 1951, and entered home office work in 1956 as field assistant in the agency department, later becoming supervisor of agencies. The new agency he heads



J. W. Howes



R. E. King Jr.

will serve all of Orange county as well as Santa Ana. Mr. King started his insurance career as agent in Athens, Ga., later going to the Lamer agency in Birmingham where he became assistant general agent. In Charlotte, he succeeds Robert L. Taylor who plans to devote full time to personal production there. Mr. King is past president of the Alabama Assn. of A&H Underwriters, and is vice-president of the Birmingham CLU Trust Council.

Donald L. Stevens has been named assistant general agent and junior partner in the Arnold agency in Davenport, Ia. He joined the agency in 1955 as a supervisor for hiring, training, and supervising new agents.

Howard G. Olsen and **Dale W. Ferguson** have been named to supervisory posts with McMurchy agency in Kansas City, Mo. Mr. Olsen has been serving in a supervisory capacity since 1956. Mr. Ferguson, who has a background of seven years in the sales field, joined the McMurchy agency in 1952.

Earl C. Gehring becomes a junior partner in the Feder agency in Cleveland. He went with the agency in 1955, after six years in the life field, and for the past year he has been a supervisor.

Monarch Life

Donald G. Elkins, **John B. English**, **Robert E. Wooster** and **Jean B. Sarchet** have been appointed general

agents of Monarch Life at Roanoke, Chicago, Rochester, N. Y., and Spokane, respectively. Mr. Elkins was named supervisor at Roanoke in 1956 and headed the agency following the retirement of LeRoy H. Whitwell, general agent, a year ago. Mr. English was named a supervisor at New York in 1956. He and Mr. Elkins took part in the management training program. Mr. Wooster was made an instructor in the home office training school in 1951 and since then has been manager of field training, director of training and superintendent of agencies. Mr. Sarchet, who heads a new agency, joined the company at Seattle and was named a supervisor in 1956.

Fidelity Mutual

A. Duer Pierce Jr. has been appointed general agent of Fidelity Mutual at Wilmington to succeed **Maynard S. Alexander**, who is retiring after 23 years as head of the agency. Mr. Pierce entered the business with Fidelity Mutual at Wilmington in 1954.

Life of North America



C. G. Huskinson

Charles G. Huskinson has been appointed manager at Denver, the new office being at 1849 Emerson street. He is vice-president of the Rocky Mountain CLU chapter. Before joining Life of North America, Mr. Huskinson was with Acacia Mutual for 12 years in Denver and Kansas City.

Equitable Society

New unit managers of Equitable Society are **Harold R. Grening**, New York; **Gary F. Jackman**, San Carlos, Cal.; **William E. Kish** and **James P. Neville**, both Detroit; **Charles P. Mills**, Austin, Tex.; **Michael T. Paider** and **Edwin A. Pearson**, both of Philadelphia; **Randall W. Proctor**, Arlington, Va., and **Max C. Rose**, Milwaukee.

Prudential

Cornelius R. Plug of the Carmen agency of Chicago has been promoted to division manager. He has been a member of the agency since 1956, previously having been special agent at Prudential's Gliemi agency in Evanston, Ill.

Midland Mutual

Richard H. Collier has been appointed general agent at Lima, O. He was district manager for Union Central before joining Midland Mutual, and before that was with Commonwealth Life.

Minnesota Mutual Life

Earl M. Moore retired as general agent and head of the Southern California agency at Los Angeles Jan. 1. He retired five years ahead of normal retirement age in order to let five men who have been working for him take over the Los Angeles territory and become general agents in their own right. In addition, he will continue with the company in a supervisory capacity to help the new men establish their agencies and take advantage of

Mr. President !!!

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*Expansion program provides openings for
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his experience and organization "know-how."

Mr. Moore became general agent in 1936 at Los Angeles. He developed his agency into a multi-million dollar organization that has been a consistent company leader in new business. At the close of 1957, total insurance in force with the Southern California agency exceeded \$57 million.

Taking Mr. Moore's place are: **Richard G. Ainslie**, covering the Glendale area; **Joseph T. Ezzell**, Van Nuys; **Charles K. Knouse**, Fullerton; **William A. Nunn Jr.** and **Lamont R. Johnson**, San Diego.

Berkshire Life

Norman J. Nicholl has been appointed general agent of Berkshire Life at Syracuse to succeed **Earl V. Osborne**, who has retired. Mr. Nicholl has been in the business since 1953.



N. J. Nicholl

Mutual Of New York

Charles W. Baechel has been appointed manager of Mutual of New York at Des Moines, effective Feb. 1, to succeed **B. A. Maynard**, who is relinquishing managerial duties for reasons of health. Mr. Baechel, assistant manager in Akron since 1955, has been undergoing special managerial training at the home office since September. Mr. Maynard, with Mutual since 1945, was named manager at Davenport in 1949 and at Des Moines in 1956.

Washington National

George L. Martin Jr. has been appointed general agent in Houston with offices at 3520 Montrose avenue. Prior to going with Washington National he was with another insurance company in the Houston area, both as an agent and manager. Mr. Martin has completed a course at Southern Methodist Institute and is studying to become a CLU.



G. L. Martin Jr.

Pilot Life

H. P. Skiles has been named associate general agent of Pilot Life at Norfolk. A former superintendent of agencies, he entered the business with the company at South Boston, Va., in 1950.

Hugh Howard has been promoted from superintendent of Pilot Life's combination division at Martinsville, Va., to agency assistant at the home office.

Manhattan Life

Jack Stern has joined the Haas agency of Manhattan Life at New York to serve as outside contact man with brokers and agents. He has been given the title of field manager. He was advertising manager of *Insurance Advocate* for six years.

Paul Revere

Donald H. Criswell and **Oscar E. Melchert** have been named general agents of Paul Revere and Massachusetts Protective at San Diego and Cedar Rapids, respectively.



O. W. Melchert



D. H. Criswell

Mr. Criswell, with the companies for 10 years, has been a training supervisor in the western sales region. He is the son of **Tony Criswell**, who was general agent at Missoula, Mont., until his retirement in 1952. Mr. Melchert has been training supervisor of the central sales region for two years and previously was at Cedar Rapids.

Los Angeles Fathers, Sons Honored By Assn.

Rolla Hays Jr., New England Life general agent presided over the Christmas fellowship meeting of Los Angeles Assn. of Life Underwriters and a panel session on organizing ties and package sales. The meeting was in honor of fathers and sons in the insurance business.

The Hays agency led the list with three generations present: **Rolla Hays Sr.**, founder of the agency, **Rolla Jr.**, **Rolla Hays III** and **Douglas Hays**. Panel members were **Hal R. Van Cleve** and his son, **Richard**, Massachusetts Mutual Life; **Robert A. Brown Sr.** and **Robert Jr.**, Pacific Mutual Life.

Other father and son combinations present included (fathers named first): **Beryl Blevins** and **Patrick**, Occidental of California; **Ralph W. Fisher** and **John**, Northwestern Mutual; **Walter Gastil** and **Richard**, Connecticut General; **Paul R. Hickman** and **Bryson**; **Lloyd W. Hummel** and **M. C. Bankers of Nebraska**; **T. R. Macaulay** and **T. R. Jr.**, State Mutual; **Ron Stever** and **Richard**, Equitable Society; **Walter Stoessel** and **James**, Earl Winburn and **Lloyd**, New York Life; **Edward Choate** and **William**, New England Life.

Long Island Agents Slate Sales Congress Jan. 23

Long Island branch of New York City Assn. of Life Underwriters will hold its annual sales congress Jan. 23 in the Garden City hotel at Garden City, N. Y.

Sole speaker will be **Ralph G. Engelsman**, sales consultant and authority on life insurance selling and training, who will conduct "A Morning with Ralph G. Engelsman." He will discuss prospecting, approaches, a procedure for closing and placing additional and setting sights at high but attainable goals.

The session will start at 9 a. m. and continue until 12:30 p. m. with intermissions. The audience will be invited to ask questions.

HOLUs Hear A&S Panel

A&S insurance was discussed before the Indiana Home Office Underwriters Assn. by a panel consisting of **Norman Comptos**, American United; **R. C. Strubbe**, Lincoln National; **Harold Moore**, Hoosier Casualty; and **Richard Calkins**, Disability Income.

Nashville General Agents & Managers Assn. is sponsoring a study course in district management for eight enrollees.

Welfare-Fund Code Promulgated By N. Y. As Moral Suasion

(CONTINUED FROM PAGE 4)

commission schedule that a portion of its total commissions, in accordance with a predetermined scale established for the purpose, is to be considered as the basic selling commissions, with the balance available for compensation for other services of the insurance agent or broker, such as assistance in designing, installing or servicing the welfare and pension program. Any commission rate schedule used by an insurer for group annuities issued in connection with pension funds should be appreciably lower than the commission rate schedule used by that insurer for welfare funds.

"Where two or more forms of group insurance are issued, concurrently or within six months from the issuance of any one of such forms of coverage, by an insurer to a welfare fund, the premiums for all the insurance coverages, whether under one or more policies, should be combined in determining the total commissions payable; and where two or more welfare funds are combined through a master or administrative trust or otherwise, they should be similarly considered as one fund for commission purposes.

"Any increase in premium resulting at any time from normal additions to the group of insured persons (e.g., from additions resulting from the insuring of new employees of participating employers, from a reduction in the eligibility requirements of the plan, from the inclusion of employees of a new participating employer in

the plan unless under the collective bargaining agreement participation in the plan is optional with the employer, from salary increases, etc.) should be treated for commission purposes as part of the existing premium and not as a separate new premium.

"Where an existing policy is extended to insure a new classification of employees (e.g., where the plan is expanded beyond its original scope to include members of an additional union local, or employees of the employer members of an additional trade association, or additional classes of members within locals already participating, or additional classes of employees of employers already participating) or where the existing policy is revised to increase the schedule of insurance on those already insured, or where a new form of insurance is added, commissions payable with respect to the resulting additional premium should be not more than the amount determined by applying the insurer's commission scale to the additional premium as if there had been no previous insurance; provided that if such extension of policy takes place within six months after the original effective date of the policy or of another previous extension for which the additional premium was treated separately, under this rule, the additional premium for the current extension should not be treated separately for commission purposes but should be treated as a part of the previous new or additional premium.

"In lieu of its normal decremental commission schedule, providing for higher first-year commissions and lower renewal commissions, an insurer may use averaged decremental commission rates, applicable to the first policy year and nine renewal policy years, if such rates are the approximate mathematical equivalent of its normal schedule when applied to a uniform amount of premium over a 10-year period.

"Under no circumstances should the scale of commissions be contingent on the claim rate under the group policy.

"While in some circumstances the transfer of group insurance from one insurer may be of advantage to a welfare or pension fund, it results in duplicate acquisition costs. Accordingly, in cases of proposed transfer, the new insurer should so advise the prospective policyholder. Commission rates for the first and subsequent policy years should in all cases of transfer be payable only on a basis which averages the rates over the entire commission-paying period, and the total commissions payable over such commission-paying period should be not more than those which would be payable by the new insurer were there no prior insurance.

"Commissions should not be paid to any person, firm, or corporation who or which is not actually in the business of selling insurance, or is not a licensed agent or broker at the time the sale was negotiated. Nor should commissions be paid, directly or indirectly, to any trustee, contributing employer, or labor union, or to an officer or employee of any such trustee, employer or labor union.

"Fees and Other Allowances. An insurer should not make any payment of fees or allowances of whatever na-

ture, and by whatever name, to any person, firm, or corporation in connection with the sale, service or administration of a group policy issued to a welfare or pension fund, other than commissions to an insurance agent or broker as heretofore described, except in reimbursement for the reasonable value of one or more of the following services performed on behalf of the insurer: (a) issuing certificates; (b) maintaining employee records; (c) billing premiums; (d) processing claims.

"In no event should any payment for such services (a) exceed the amount that would have been credited to the policyholder in the insurer's dividend, experience-rating, or premium-rate formula for the performance of the same services, or (b) be made to any person, firm, or corporation which does not maintain an organization equipped to furnish such

services, or which does not in fact furnish such services.

"An insurer should not make any payment of fees or allowances of whatever nature, and by whatever name, to a policyholder, whether for doing work sometimes performed by an insurer or otherwise, except as part of a refund or dividend under the operation of the insurer's regular dividend or experience-rating formula.

"Where other administrative work involving normal policyholder functions is paid for by the insurer, an identifiable charge in addition to the premium, properly labeled, for the reasonable value of the services performed should be made to the fund for such work. If the insurer engages a third party to perform such work, it should maintain control and responsibility for its proper performance, and an amount of the fee or allowance paid therefor shall be reasonable in relation to the services rendered and should be consistent with the charge made by the insurer to the fund.

"Filings. Whenever there may be particular circumstances under which

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an insurer believes that payments of commissions, fees or other allowances on a group policy, other than those conforming with the code, are justifiable and should be paid, it should promptly furnish a complete explanation of the reasons therefor to the insurance supervisory official of the state in which the group insurance policy is delivered, and such explanation also should be available on request to the insurance supervisory official of any state in which certificates under such policy are outstanding. This subsection is not applicable in the case of any state which by

law, regulation, or ruling requires filing of all schedules of commissions, fees or other allowances on group policies.

"Disclosure to policyholder. An insurer should upon request, disclose to a policyholder or prospective policyholder the commissions, fees, or other allowances paid or to be paid.

"General agents and other representatives. The common practice among insurers of paying salaries, providing other benefits, and making payments in the nature of an overriding commission to general agents and full-time home office representatives of the insurer who regularly design, install or service the welfare and pension plan, or who regularly assist insurance agents and brokers in selling, is a recognized and proper method of meeting overhead sales and service expense of the insurer and, therefore, is not intended to be affected by the preceding subsections B and E (which govern respectively commission scales and disclosure to policyholders); provided, however, that any such overriding commission should be determined on scales not higher than those applicable to group policies issued to employers, and provided further that the payment of any overriding commission is not used as a device for evading the intent of this code."

Section 3 says an insurer should undertake to avoid any action condoning conduct on the part of a trustee or any other person occupying a fiduciary position with respect to a welfare or pension fund which would constitute an evident breach of trust or an evident failure to discharge faithfully the obligations which his fiduciary position imposes on him.

Section 4 forbids improper inducements to acquisition of business, like loans, payments, or lavish entertainment.

Section 5 prohibits incomplete or misleading comparisons and projections of costs. If an estimated net-cost presentation is made, it should be clearly stated, and unless based on a rating formula contractually guaranteed by the insurer should set forth the limitations inherent therein and the assumptions on which the presentation is based.

Sections 6, 7 and 8 deal with equal treatment of policyholders, with benefit descriptions, and with accounting. At the end of the policy year, the insurer should furnish an accounting statement to the policyholder. This should include at least these items, shown separately: premiums received, benefit payments, commissions, fees and other allowances paid; dividends, experience-rating refunds, or contractual return of premiums paid to the plan; resulting balance.

Two Houston Companies Vote To Consolidate

Stockholders of two Houston life companies—Southern Republic Life and Southwest American Life—have voted to consolidate, the new company to be known as Southwest American Life. President of the new company will be Jewel S. Jones, president of Southern Republic, and chairman will be Rex Baker Jr., an attorney and chairman of Southern Republic. Other officers will be Lee G. Wiley, president of Southwest American Life, executive vice-president; Harold Diegmann, secretary; and Harold Pickett, treasurer. The new company will have more than \$23 million insurance in force and total assets of more than \$1.9 million. Southwest American will have \$350,000 in capital and more than \$500,000 in surplus.

Communications Study Lag Called 'Shocking'

(CONTINUED FROM PAGE 7)

that must be accepted and practiced. It is the necessity of having a constant awareness that we are reaching for the minds of individual people and that there are always two people involved in the communication process—the man communicating on one side and the man receiving the communication on the other. This may sound fundamental, but it is often overlooked.

"Too often we find people relying solely on mechanical devices and one-shot productions to communicate to field organizations—and without giving sufficient consideration to the attitudes of their audience which will affect the reception of the ideas presented.

"Because of the complexity of present day business relationships and because of the severe competition for people's minds, maintaining good communications is no longer easy. In the limited time at our disposal today, we can only touch lightly on this subject. Perhaps we can agree on breaking down communications two ways:

"1. *Getting through to peoples' minds.* This involves not only the selection of words or symbols that convey our thoughts, but consideration of how the same words or symbols will be received by various people.

"2. *Getting action from people.* This calls for some basic knowledge of how people think, what they respond to and what makes them want to cooperate and accomplish certain objectives. This area is vital to agency management—our primary job is influencing our field forces to achieve the goals we want.

The president in the skit suggested, there's no substitute for face to face selling! We have to get out and sell our agents this new policy. There is no doubt that the best method of communication continues to be show or tell the guy, but even here problems arise because of the complexity of business. We usually have to go through one or two levels of management to reach the salesmen. Actually, we can deal directly with only a small group of people.

The important thing is not to confuse forms or devices of communications with the end result—the efficient transfer of meaning and effectiveness in getting people to do what we want them to do. *Fortune* magazine's W. H. Whyte Jr. hit the nail on the head when he said: The greatest enemy of communications is the illusion of it.

Of course, such devices and techniques are important but they must be measured only against the ultimate job of transferring knowledge and securing action. There are today many people in the business of selling packaged techniques of communications. Very often, because of their deft manipulation of stage settings and props, we are carried away by the performance and forget to look beneath the wrappings for the thought inside. The old-time medicine man who used showmanship as a substitute for integrity and quality of product has his counterpart in today's business. I mean, of course, the professional master of gimmicks, gadgets and symbols who has considerable success in making people believe he is getting something important across, when, in reality, he is putting on an act designed to impress rather than to instruct or inform.

"Despite these warnings, however, there are a number of devices, methods and techniques that are most useful in assisting us to communicate information and motivate our sales force to the action we want. Such devices are most valuable in keeping meetings from being dull. They can help our salesmen to acquire knowledge and skills more rapidly and in a more interesting manner and at the same time inspire them to action. Properly used such techniques result in more effective communications—thereby saving our companies time and money."

The skit was enacted by Karl H. Kreder, 2nd vice-president of Metropolitan Life; James B. McAfee, 2nd vice-president for sales of Mutual of New York; Don A. Gorsline, assistant supervisor of management training of Equitable Society, and Carl P. Lundy, director of field training of Prudential.

Laurence K. Hamilton, sales vice-president of Tecifax Corp. of Holyoke, Mass., gave a visual demonstration of the use of latest developments in color slides and overhead projection equipment, by which a speaker can stand by the machine and work with the material that is being projected. His company manufactures diazo material used in making blueprints and reproductions, also transparencies for overhead projectors.

Other equipment demonstrated included a film strip developed by Mutual of New York, a series of "flip-charts" used by Travelers, sound recordings on tape from Phoenix Mutual and a color movie produced by Champion Paper & Fibre Co.

11 GAMC Units To Study Agency Management

Eleven local General Agents & Managers Assns. will launch study courses in agency management by Feb. 1 as the result of moderators' conferences held recently in Denver and Hartford. The 12-week course is based on the LIAMA course and is promoted by General Agents & Managers Conference of National Assn. of Life Underwriters through its local groups.

The courses will be held in Baltimore, Birmingham, Columbus, O., Dayton, Denver, Louisville, Miami, Oklahoma City, Sacramento, San Francisco and Toledo.

A similar moderators' conference is being planned for the study course in district management, which is another project undertaken by GAMC. This course deals exclusively with the problems of managing a combination agency.

Prudential Unit Moves

Two hundred local business and civic leaders attended an open house Dec. 20 at Ogden, Utah, district agency of Prudential to mark the district's move to new quarters at 3025 Washington boulevard. Reno Ficklin, manager, was host. He went with the company in 1949. Under his supervision, the office staff has nearly doubled, insurance in force has made steady gains, and district operations have been expanded to include an area from Farmington, N. M., to Preston and Montpelier, Ida.

The Baltimore-Washington Insurance Telephone Directory has just been published by the National Underwriter Co. Copies may be obtained for \$1 each from the National Underwriter Co., 420 East Fourth street, Cincinnati 2, Ohio.

WANT ADS

Rates—\$20 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.
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GROUP UNDERWRITING OPPORTUNITIES

Large, well-established insurance company in New York metropolitan area has challenging career opportunities for group underwriting personnel. Experience, education and ability will determine salary. Our men know of this ad. All replies held in strict confidence. Send résumé to Box Y-43, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

MANAGEMENT OPPORTUNITY IN OHIO

Progressive Mid-Western Company writing individual Life, Accident and Sickness offers an excellent opportunity in field management. Attractive salary and production bonus. Write giving age, education, experience and salary expected. Replies confidential. Box Y-47, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

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Small or medium size Life Insurance Company. Replies confidential. PIONEER INVESTMENT COMPANY, P. O. Box 463, CHICAGO 90, ILLINOIS.

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Group and pension technical knowledge and sales experience essential. to provide Home Office sales assistance to field men. All replies confidential. Our personnel know of this ad. Submit résumé to Box Y-50, c/o The National Underwriter Company, 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED CHALLENGING GROUP POSITION

Desire challenging opportunity with progressive group writing company. Experienced in group sales: Life, A&S, Hosp-Surg. Will consider field, agency or personnel position. Married. Age 26. Degree. Prefer Southwest or West location. Write Box Y-51, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

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Bank-Loan Plan Faces Fight For Life In Congress Committee

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...siders to be bank-loan plan abuses. The big objection to its 1957 proposal was that it depended too much upon mind-reading. That is, if the loan were made pursuant to a systematic plan of paying premiums by policy loans, then the income-tax deduction would be disallowed.

This opened the way for sharpshooters to devise ingenious methods of staying within the law and still retaining most, if not all, of the advantages of the bank-loan plan. At the same time it brought in the real danger that unless great care were used, a policyholder making policy loans for other purposes but having some of the characteristics of a bank-loan transaction might lose the income-tax deduction unfairly.

There would also inevitably be an impairment of the value of the policy loan privilege because of misgivings on the part of the policyholders that borrowing on their policies would be denied the tax deduction, even though not made in connection with a bank-loan type of sale.

The prospect of having to prove to revenue-hungry Treasury officials that a loan was not made pursuant to a bank-loan type of transaction could be rather dismaying to the average policyholder. Adding to his predicament would be the great number of schemes designed to look innocent but actually created for the purpose of getting the tax advantage of the bank-loan plan without losing the tax deduction feature for the loan.

The fact that not even the Treasury itself has been able to find objective criteria for setting the bank-loan type of transaction apart from other policy loans indicates the difficulty that policyholders might find themselves in if they were faced with having to prove that a given transaction was not part of a bank-loan purchase.

Since so many of the plans are handled without the services of a bank, the mere fact that a bank was not involved would of course be of no use whatever in distinguishing, in the Treasury's eyes, what should be considered a deductible loan from a non-deductible loan.

Mr. Smith and other Treasury experts seem to be mainly concerned with the amount of tax revenue they believe is being lost through the sale of life insurance on the bank-loan plan. Their utterances give the impression that if the use of the plan had been confined to the relatively limited number of situations in which even the bank-loan plan's opponents agree there is a definite tax advantage, the matter would not have been important enough to get the Treasury people aroused.

This attitude on the part of the Treasury was curiously inconsistent, because their greatest indignation seemed to be over the fact that too many people were buying the bank-loan plan, even though it was obvious that a great many of these buyers would wind up paying the Treasury more taxes than if they had not bought it, since they had failed to understand the limited circumstances under which they could expect to enjoy an ultimate tax advantage.

This Treasury attitude should have

been the tip-off to life insurance industry leaders on both sides of the bank-loan fence to try to get together and work out objective criteria for determining under what circumstances the bank-loan plan would be to the buyer's advantage and what calculated risks he would be facing even if his situation were such that the bank-loan plan might be considered appropriate under the criteria.

This has not been done and as a result a tremendous amount of bank-loan type of insurance has been sold. It is impossible even to hazard a guess how much of it has been to the policyholder's advantage and in how many situations it was a bad buy. Nor is there any way of estimating how much of what has been sold has been theoretically advantageous from a tax point of view but of dubious value or even an actual detriment in other respects as compared with buying on a basis not involving payment of premiums by policy loan.

It is quite conceivable that if a prompt effort had been made in the industry to get together on criteria for the propriety of the bank-loan type of sale and if a sincere and effective effort had been made to confine that sale of bank-loan policies to situations determined to be appropriate for it, the Treasury might have been satis-

fied that such limited sales were not causing of a revenue loss to warrant complicating the law with restrictive legislation.

Any attempts along this line appear to have been frustrated by the intense emotions aroused by the bank-loan problem. The pro-bank-loan people seem to be afraid that standards of propriety might be unduly restrictive, so they have preferred to avoid the establishment of any standards for as long as possible.

The anti-bank-loan side, on the other hand, seems unwilling to accept any standards except those that are so tightly restrictive as to rule out practically every sale in the bank-loan category. Rather than compromise on criteria that would be somewhere between wide open and tight shut, both sides have preferred to hope that whatever eventually results will favor their respective points of view.

What seems to have been overlooked is that the evident inaction of the life insurance industry in connection with what is going on in the bank-loan field gives the Treasury officials a plausible excuse for moving in and taking action that may be decidedly against the interests of many policyholders who will have occasion to borrow against their life insurance in the years to come.

Northwestern Mutual Will Not Enter A&S. Group Fields: Fitzgerald

(CONTINUED FROM PAGE 1)

in which they can and should be served. . .

"A question before us, then, is Should we model our company's career on this general pattern? Or to put it another way, do these developments mean that an operation like ours, which continues to be deliberately and conspicuously limited in its scope and objectives, will have a limited future—limited, that is, in the sense of limited opportunities for a full and gratifying continuance of its career as a company which in turn affords full and gratifying careers to those holdings its agency contracts?"

"Suppose on the one hand we were to follow and do what the others are doing. Suppose, on the other, that we are to lead by electing an independent course. If we follow, we will inevitably devalue the concept now developing for decades, in response to public need, that it is hard to find an upper limit for the knowledge and wisdom which can be applied to the application of ordinary life insurance to personal and business needs. If we lead, we continue to establish new and higher standards of competence and ability of life underwriters and be recognized as a company where such counsellors are to be found.

"If we follow, we will not only reduce the prestige which comes from performing a specialized service superlatively well but we will inevitably lose the identification which that kind of performance brings. The good agent will similarly lose the added strength which comes from identification with an unusual company—a mighty powerful combination, we have found. A lesson in the consequences of diversified effort is, I believe, to be found in the fact that many men, and I happen to be one of them, cannot tell you the

name of their fire insurance company. If we lead, I would confidently expect the luster of Northwestern's distinctiveness to brighten and consequently to attract more of those discerning persons of whom I am certain that plenty will continue to need and want our type of service."

Mr. Fitzgerald predicted that if Northwestern were to follow the pattern that so many others have followed, the company would become a complex rather than a simple organization, with persons and units in home office and field working along entirely different lines. Many strangers would be inducted and the company would "lose the cohesiveness of an operation where all are working toward the same end."

"The results," he said, "would be an inevitable change in the flavor and atmosphere of the company and, I believe, in the morale and esprit de corps which have been so much a part of Northwestern. If we lead, the whole mechanism can continue to operate with maximum efficiency to carry out our job, which is at once so simple and so complex. An example of this is our highly skilled investment departments, which, for the uses of group, A&S, or other lines which generate little or no reserves, would serve an extremely small purpose. Another example is our I.B.M. 705, which for all its miraculous propensities can produce for the Northwestern economies greater than those it can produce for many companies of smaller size only because of the simplicity and uniform nature of our company's present operations. . .

"If we follow, we should spend, I imagine, \$15 million to \$20 million to launch the new activity or activities. This could come only from the re-

Plan Conference On Employee Benefit Fund Regulation

A national conference on employee benefit plan legislation will be held Jan. 20 in San Francisco, sponsored by U. S. Chamber of Commerce, Federated Employers of San Francisco, San Francisco Chamber of Commerce and Western Pension Conference.

Topic for the morning session will be "Why Legislation?" and will feature as speakers Paul J. Cotter, special counsel subcommittee on welfare and pension plan investigation of the Senate labor committee; Joseph L. Seligman Jr., attorney and past president Western Pension Conference; Julius S. Wikler, first deputy superintendent of insurance of New York, and F. Britton McConnell, California commissioner.

Speakers at the afternoon session, whose topic will be "What Legislation?" will be Lawrence M. Cathles Jr., vice-president group division Aetna Life; Esmond B. Gardner, vice-president Chase Manhattan Bank; Arthur J. Goldberg, general counsel industrial union department AFL-CIO; and Robert A. Hornby, president Pacific Lighting Corp.

The conference is assigned to inform employers and those concerned with collective bargaining and welfare fund management, and to encourage them to take an active part in shaping new legislation that is foreseen in this field.

serves of our present policyholders and while theory would suggest that the new activities, once established, would repay these sums out of subsequent gains. I have a feeling that competition or circumstances might defer such reimbursements, shall we say, indefinitely.

"If the survival or prosperity of the company were truly at stake, such a charge upon our policyholders might be justified. Obviously, that, as I see it, is a condition quite contrary to the facts. If we lead by maintaining our monolithic nature we will not only spare our policyholders these charges, with favorable effects upon the cost of their insurance but we will, I believe, keep faith with them in that many of them came to us because of our qualities as a rather unique ordinary life insurance company."

Mr. Fitzgerald said a general consideration of overshadowing importance in reaching a decision was the continued welfare of the Northwestern field force.

New Handbook Published For Michigan

A new Underwriters' Handbook of Michigan has just been published by the National Underwriter Company. It provides complete and up-to-date information on the agencies, companies, field men, general agents, groups and other organizations affiliated with insurance throughout the state. Copies of the new Michigan Handbook may be obtained from the National Underwriter Company, at 420 East Fourth street, Cincinnati 2, Ohio. Price \$12.50 each.

3 of Many Reasons Why A-V Will Up Your Sales 50%

1.

Most Life Insurance salesmen are not good speakers.

They have not had professional voice training and they do *not* speak with clarity and emphasis.

Their sales presentation loses 25% to 50% of its power because of its delivery.

The situation is complicated by the fact that 25% of the salesman's prospects do not hear normally.

Poor delivery and bad reception dwindle the presentation of your proposition to a small fragment of what it should be and what you may think it is.

Your sales suffer.

Audio-visual corrects this weakness. Professional voices, sharpened by electrical transcription, are easily understood, even by the hard of hearing, and your sales pre-

sentation really gets over into the mind of the prospect.

By the old way it fades out through human weaknesses.

By the new way it gets to the prospect in all of its original power, enhanced by dramatization.

Sales go up 50%.

2.

Television is a curse to salesmen.

Ask your men how they like to talk against TV.

Ask them what chance they've got to sell with the air full of entertainment.

Ask them how often the TV gets turned off so they can get a fair chance to tell their story—*YOUR STORY*.

Sound Slide-film solves this problem.

The prospect doesn't want two talking pictures going at the same time, so he turns off the TV.

Audio-visual gets your man a fair chance which he didn't have before.

No wonder your sales go up 50%.



3.

Those kids—how we love 'em!

But does your agent love 'em when he comes down the home stretch with a nice sale ready to close—and those kids need attention?

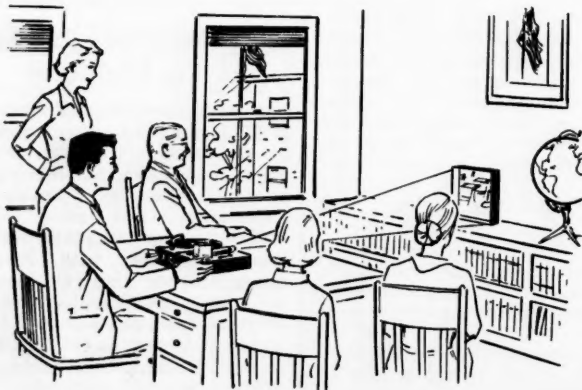
They need a piece of bread and butter, or they need to be taken to the toilet, or they get into a fight and have to be separated.

But not if you have the vision to equip your men with Sound Slide-film!

Those kids' eyes are bulging out, looking at the show—looking at the machine. They are entranced with it. They do not *need* attention and they do not *want* attention.

Another problem solved.

Is it any wonder your sales go up 50%?



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